Investors in Healthcare

EUROPE

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European Healthcare Investor Association

Delivering for investors in Healthcare

The largest association of private capital providers investing in healthcare companies in Europe

www.ehia.org

European Healthcare Investor Association

Contents

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Welcome

European Healthcare Investor Association ("EHIA") is the largest association of private capital providers investing in healthcare companies in Europe. Our aim is straightforward - to facilitate deals and promote the sector.

We do this by building our community and sharing knowledge through our conferences and networking events for our members, and sector focussed market data and analysis from our strategic partners and our Official Journal, *Investors in Healthcare*.

Whilst we do not lobby for the sector, we do promote a better understanding of investors' contribution to the broader healthcare economy from innovation, employment and wealth creation.

Who we are

We are a not-for-profit trade association with over 70 members including private equity, infrastructure and sovereign funds, foundations and family office investors, corporate leaders, advisors and other members of the healthcare investing community, all focussed on building successful healthcare businesses.

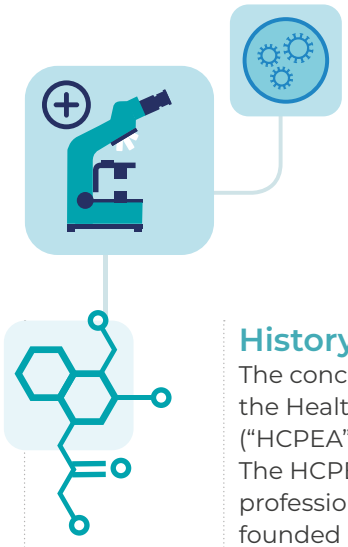
What we do

We help our members to invest capital and expertise into building great healthcare businesses and generating returns. Our members take a long-term approach to investing in privately-held companies, injecting not only capital but dynamism, innovation and expertise. This commitment helps create healthy and sustainable companies, securing millions of jobs and delivering strong returns for their investors such as leading pension funds and insurers, whose members depend on them for their retirements.

"2025 has been a year of exceptional volatility for business to navigate. A look across the portfolios of EHIA member firms shows however that the value creation work of private equity, applied to the healthcare sector, can handle uncertainty, and deliver consistent returns.

As a founder partner at healthcare specialist GHO Capital, it is great to see the EHIA nurturing mutual awareness and respect among all of us – the healthcare dealmakers based in Europe."

ALAN MACKAY
Chair, European Healthcare Investor Association



How we work

We have an integrated strategy combining information sharing, our two EHIA conferences ("Private Capital" and "Real Assets"), networking events, and a focussed digital offering. We actively communicate with our members on LinkedIn and email, as well as online via our Official Journal, Investors in Healthcare. This is a Google News listed digital business intelligence platform delivering news, data and analytics. This knowledge creates actionable insights for investors, coporate leaders and advisors in the sector. Access to the journal is included with membership, with subscriptions available for non-members.

Key to delivering for our members are our partners who not only provide valuable content, but host many of our events. EHIA works closely with a range of strategic partners in the advisory community including J P Morgan (investment banking), McDermott Will & Schulte (legal), L.E.K. Consulting (strategy consulting), Compass Carter Osborne (executive search), Marwood Group (regulatory consulting), Savills (real estate), RSM Ebner Stolz (accounting), Howden (insurance) and Virgin Money (specialist funding).

History

The concept of the EHIA was inspired by the Health Care Private Equity Association ("HCPEA") based in Virginia in the US. The HCPEA was the first industry focused professional association for private equity founded in 2010 and is a dedicated network that supports the needs, knowledge, and relationships of the healthcare private equity community.

HCPEA
HEALTHCARE PRIVATE EQUITY ASSOCIATION

Discussions were had with the HCPEA about extending their membership to Europe. However, their mandate as a US based 501(c)(6) professional/business association made this challenging, and so in 2021 the EHIA was founded. >

"As Executive Director I am focused on delivering for our members. Central to that mission is having an ongoing dialogue directly with as many of them as possible and my door is always open. Our strategy is for the Association to be a convener of like minded people and a source of knowledge and opportunities for healthcare investors. My remit is to deliver on that strategy by providing valuable benefits for our members.

SARAH WARD
Executive Director, European Healthcare Investor Association

Launched with a virtual wine and cheese tasting during Covid lockdown, initially the Association was 100% virtual, attending a virtual JP Morgan Healthcare Conference, hosting webinars and partnering for the virtual McDermott Healthcare Private Equity Europe conference. Since then the world has returned to normal and the Association has rapidly evolved. What emerged was a clearer roadmap and an increasingly diverse membership as foundations, Sovereign funds and infrastructure investors joined - all active healthcare investors but not technically private equity.

Our strategy

In 2021 our consulting partner undertook a five-week strategy project to benchmark the association against other similar organisations and interview members on what they would like the association to offer.

Member feedback

'Something like this is needed in a European context – I believe in the underlying purpose of EHIA'

'This isn't an industry that organizes itself well so there are some real opportunities for EHIA in Europe'

'EHIA is a great concept – it's still early in its maturity, but it's an idea everyone can get behind'

'EHIA could do a lot just by orchestrating members to share existing knowledge' ■

Our purpose

Our mandate covers:

Private capital not public equities

- All geographies in Europe
- All sectors of healthcare including life sciences and healthcare services
- All investors including private equity, sovereign funds, foundations and family offices ■

Focus of investors, geography and markets is broad

Our coverage is deliberately broad, both in terms of geography by being pan-European (and not too London centric), and in terms of market sub-sector coverage including Life Sciences and Pharma, Healthcare Services and Animal Health, but with an emphasis on growth markets of interest to members such as pharma services, tech enabled models and capex-lite clinic delivered services (for example fertility, dentistry and diagnostics).

That mandate to broaden the membership continues with a focus on family offices and the healthcare real estate investor market that underpins many of the healthcare services investments, as well as expanding the individual members who are current or former CEOs, Chairs or Non Executive Directors of healthcare companies.

Communicating with our membership

Members are time poor, and therefore focussed, relevant content available in an easily digestible format is key. Perhaps as a result of the "virtual" start to the organisation, communication has by necessity been digital – via an active LinkedIn presence; twice monthly newsletters for members and non-members covering deals, people moves and market reports; online via the website including a Resource Hub with a growing library of member-only content; and Investors in Healthcare, the association's online journal. Investors in Healthcare now has 11,000+ LinkedIn followers and growing as well as nearly 200,000 visitors to its website as it establishes itself as the one stop destination for investors looking for deal flow, insights and news on people, companies and sector trends.

1 COMMUNITY

Networking at all levels in a neutral environment

As an independent non-aligned neutral participant in the market the EHIA offers a unique platform to facilitate bringing people together.

At the senior level, smaller networking dinners for partners in funds enables them to have confidential conversations, but also to get to know their peers in a non-deal environment. Assets are often sold to and from peers in the sector, and the benefit of a personal relationship outside of a transaction can be very valuable.

Below partner, deal teams have also expressed an interest in meeting their peers and also in having access to events with a particular focus – for example we now run an annual Women in Healthcare Investing networking drinks with Level 20, a not for profit that encourages participation by women in private equity, especially in leadership positions, with a goal for women to hold at least 20% of senior positions.

There are many women in finance and investing events, but feedback was that having a sector focus made it much more relevant and useful to those who attended.

More generally, we aim to host events at all the major healthcare conferences (such as JP Morgan in San Francisco and Jefferies in London), trade shows (such as CPHI and MEDICA) and investor events (such as SuperReturn) during the annual calendar, and increasingly to enable corporate leaders to access the association and meet with investors as well. We are also event partners for the McDermott flagship Healthcare Private Equity Europe conference and the Basel Healthtech Conference and continue to look for new opportunities.

2 CONTENT

Relevant, timely, accessible

Increasingly, EHIA is becoming the focal point for sector relevant content and the useful point of distribution of content to a small, focussed and high quality audience. We are indebted to our strategic partners for the quality of the content we share through webinars and events.

Webinars have included an in depth series on pharma services (all available on demand from the Resource Hub on the website), podcasts with SAID Business School, webinars from McDermott on legal changes and from their healthcare conference and more. Particularly popular are our “Meet your Members” portfolio company spotlight webinars, where the CEO of a portfolio company and the partner who led the investment are interviewed for an hour and present the investment case with a live Q&A. Well ahead of any sale process, this is a unique forum to update the investor community of developments in a portfolio company.

Selected Meet Your Members webinars include:

PORTFOLIO COMPANY	FUND
Rodenstock	Apax
DORC	Eurazeo
Sterling Pharma Solutions	GHO Capital
Atida	Marcol Health
Advanz Pharma	Nordic Capital
Clearview Healthcare Partners	GHO Capital

Many of our partners also produce excellent sector research including Marwood (regulatory), L.E.K. Consulting (strategy consulting), Savills (real estate) and JP Morgan (economic) and more, again all available in the Resource Hub. >

3 ADVOCACY

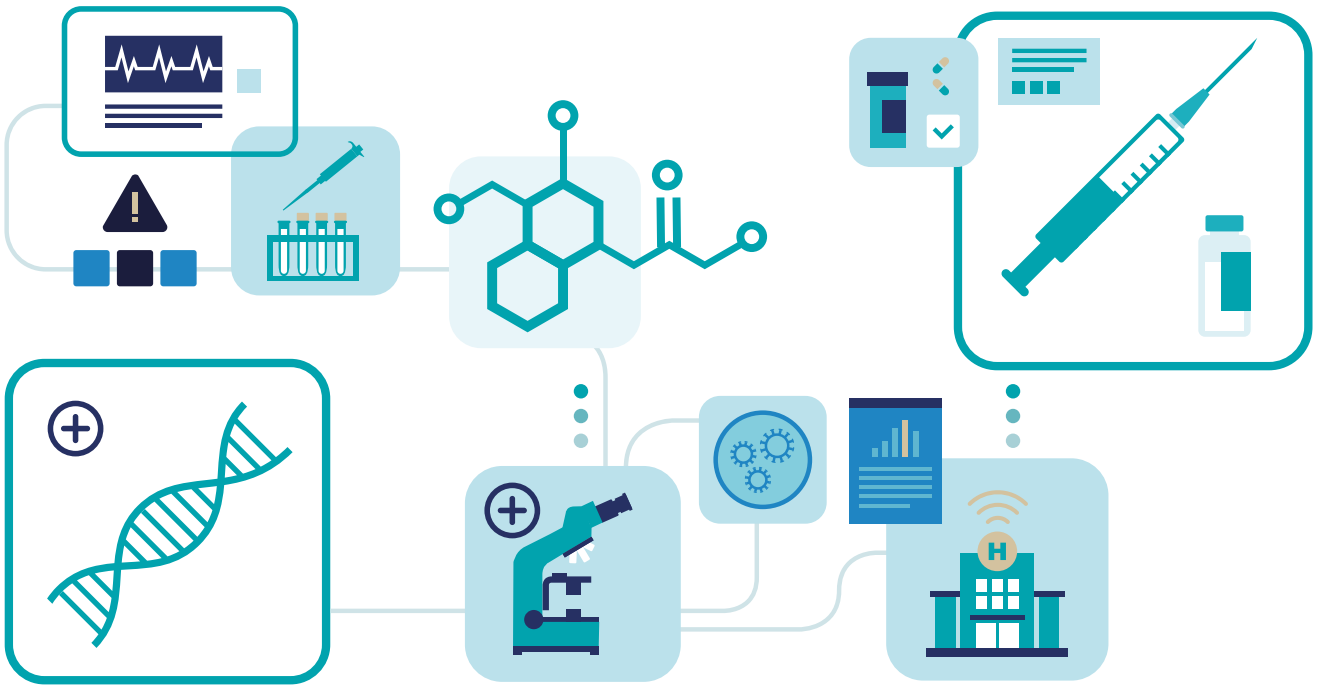
No lobbying, just positive profile building

Some members are part of larger financial institutions with their own government affairs and lobbying policy, and if the EHIA were to lobby this would create conflicts. In any event, Invest Europe, the British Private Equity & Venture Capital Association and other national private equity associations already exist to lobby on behalf of the sector. The EHIA therefore focuses on promoting healthcare investing more broadly, with an emphasis on the companies being built, innovation, quality of care, new products being developed, people being employed, jobs being created, investment being made and the tax being paid and returns being generated for fund investors.

In conclusion

There is a real opportunity for the healthcare investing community in Europe to raise its profile and to build on the success it has already achieved. The EHIA has been created to help facilitate that and has an exciting program of new initiatives including a members directory, an asset portfolio database, an expansion into real estate and early stage venture investing and broadening membership more actively to current and former senior managers of member portfolio companies.

If you would be interested to join, please do contact Sarah Ward and we would be delighted to speak to you. ■



Member Benefits

Where Connections Create Opportunity

Joining the European Healthcare Investor Association (EHIA) connects you to a powerful network at the centre of investing in European healthcare. Membership offers exclusive access to events, insights, discounts and a vibrant community of peers shaping the sector's future.

EVENTS & NETWORKING

Enjoy invitations to our signature gatherings, including the **Investors in Healthcare Gala Dinner** during Jefferies in London, **Autumn Networking Drinks**, **Women in Healthcare Investing** events in Paris and London, **San Francisco Drinks** during JP Morgan week, and **Healthcare Investing in Düsseldorf** during Medica.

Members receive **complimentary tickets** (worth £795 each) to key conferences such as the **Investors in Healthcare Private Capital Conference, European Healthcare Real Assets Conference** and **McDermott's HPE Europe Conference**.

> *"Access the rooms where the conversations really happen."*

Significant **discounts** are available for: SuperReturn International & Europe, HLTH Europe Amsterdam, CPHI, LSX World Congress London and Abu Dhabi Global Health Week

Members can also **partner with EHIA** on events - with full marketing support - to amplify visibility within the global healthcare investment community.

CONTENT & COMMUNITY

Membership includes access to **exclusive webinars**, from *Meet Your Members* to *Legal Insight with McDermott Will & Schulte*.

Our **twice monthly newsletters** deliver member-only content, transaction updates, sector appointments, and event listings.

Members also receive a **complimentary Investors in Healthcare enterprise subscription** (worth £1,495 per year).

With more than **200,000 followers** across EHIA's digital platforms, your brand and investment activities gain visibility within one of the most engaged healthcare investor communities in Europe.

Membership includes access for **multiple team members per organisation**, ensuring your whole team benefits from EHIA's connections and content.

> *"Join EHIA — where healthcare investors connect, collaborate, and lead."*

SECTOR FOCUS

HEALTHCARE SERVICES

HEALTHCARE

- Hospital and Clinics
- Mental Health
- Dental
- Fertility
- Clinical Labs
- Diagnostics
- Staffing
- Primary Care
- Pharmacy
- Insurance
- Cosmetic and Aesthetics
- Consumer Healthcare
- Distribution
- Digital Health/ Healthtech
- Funeral Services

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- Homecare
- Complex Behavioural Care
- Supported Living
- Retirement Housing

Education
- Fostering
- SEN Schools
- Children's Residential Services
- Nurseries

LIFE SCIENCES & PHARMA

LIFE SCIENCES

IVD
- Reagents
- Tools

Medtech
- Diagnostics
- Medical Devices and Implants
- Hospital Equipment
- Healthcare IT

PHARMA

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- Specialty Pharma
- OTC

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Investing in Psychedelic Therapies:

Market Challenges and Opportunities

L.E.K. Consulting

Psychedelic therapies show growing clinical promise, but their success will depend on building the infrastructure needed to deliver them at scale. >

Mental health disorders remain among the most pressing challenges for healthcare systems worldwide, with existing therapies leaving a large proportion of patients without adequate relief. Depression, anxiety and addiction alone account for significant unmet need and are increasingly driving demand for new approaches. Against this backdrop, psychedelic therapies are re-emerging as a potentially transformative class of treatment.

For investors, the appeal lies in both the scale of the unmet need and the opportunity to support the development of the infrastructure — from trained therapists to new delivery models — that will be critical to realising the market's potential.

The idea of using psychedelics in a therapeutic setting is not new. Research into their potential began in earnest during the 1950s, but progress stalled in the 1970s with the introduction of restrictive drug laws. In the past two decades, however, the field has enjoyed a resurgence, driven in part by regulatory milestones that have brought psychedelics into the mainstream.

↓ **Figure 1** Investment growth and pipeline
→ **Figure 2** Overview of psychotherapy

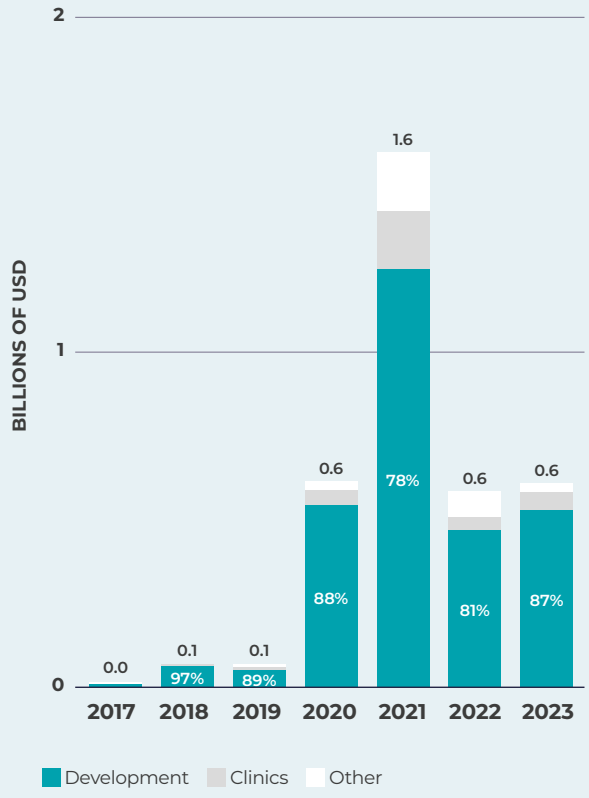
The US Food and Drug Administration (FDA) has been at the forefront of this shift, granting breakthrough designation to MDMA-assisted therapy for post-traumatic stress disorder in 2017, to psilocybin therapy for depression in 2018, and approving Spravato, a ketamine-derived treatment for resistant depression, in 2019. These decisions have provided credibility to the sector and have helped catalyse both research and investment.

Market momentum

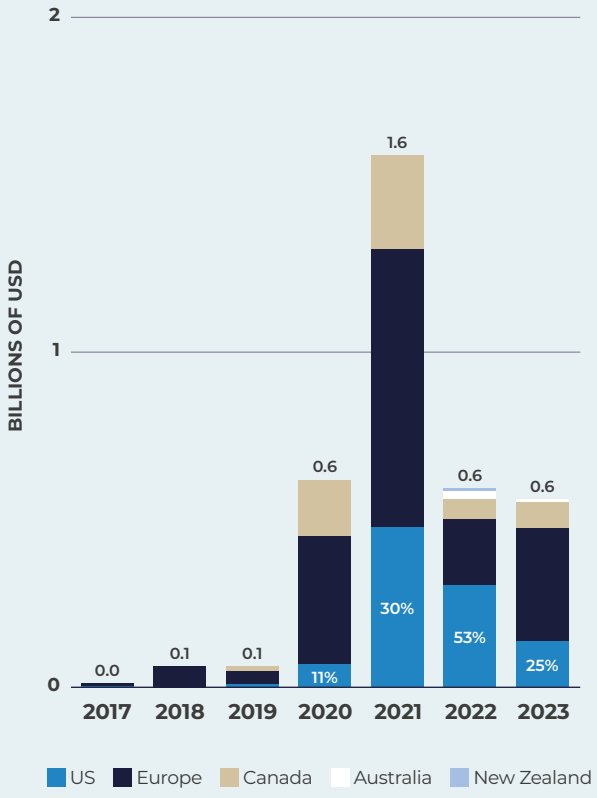
Capital has flowed steadily into the field (see **Figure 1**). Annual investment in psychedelic therapies peaked at nearly US$1.6 billion in 2021, and while 2023 saw a decline to around US$600 million, the long-term trend remains strong. The global market is projected to grow at approximately 14% per year and could reach US$13 billion by 2030.

More than 40 psychedelic assets are currently in clinical development, the majority addressing depression, anxiety and addiction, with promising trial readouts beginning to emerge in late-stage studies. >

INVESTMENT IN PSYCHEDELICS COMPANIES BY SECTOR (2017-OCT 2023), N=214

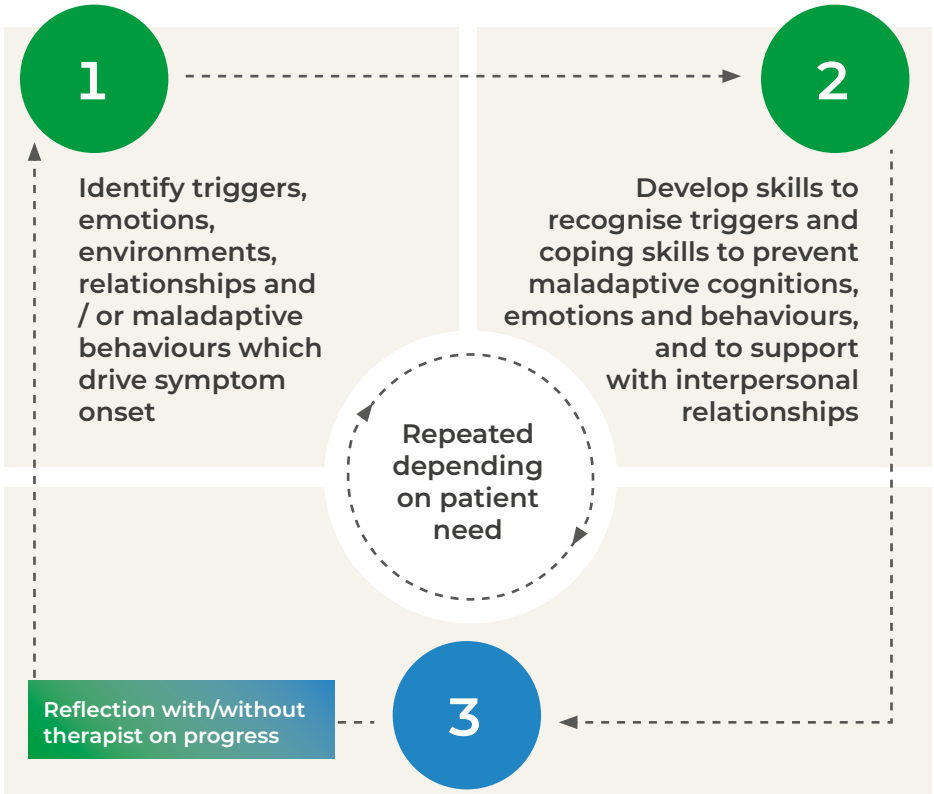


INVESTMENT IN PSYCHEDELICS COMPANIES BY GEOGRAPHY (2017-OCT 2023), N=214



Source: L.E.K research and analysis

THREE KEY ELEMENTS OF PSYCHOTHERAPY



COMMON FACTORS

- Empathy
- Therapeutic alliance
- Therapist quality
- Cultural adaptation
- Expectations

MAINSTREAM PSYCHOTHERAPIES

SCHOOL OF PSYCHOLOGY	COGNITIONS AND BEHAVIOURS ARE THE ROOT CAUSE OF MENTAL ILLNESS	PAST EXPERIENCES (E.G. TRAUMA) ARE THE ROOT CAUSE OF MENTAL ILLNESS	A PATIENT'S ENVIRONMENT IS THE ROOT CAUSE OF MENTAL ILLNESS	A PATIENT'S INTERPERSONAL RELATIONSHIPS/ AN INTERPERSONAL PROBLEM AREA ARE THE ROOT CAUSE OF MENTAL ILLNESS
KEY TECHNIQUES	COGNITIVE BEHAVIOURAL THERAPY (CBT) DIALECTIAL BEHAVIOURAL THERAPY (DBT) MOTIVATIONAL INTERVIEWING (MI) / MOTIVATIONAL ENHANCEMENT THERAPY (MET) ACCEPTANCE AND COMMITMENT THERAPY (ACT)	EYE MOVEMENT DESENSITIZATION AND REPROCESSING (EMDR) PSYCHODYNAMIC THERAPY	COMMUNITY REINFORCEMENT APPROACH (CRA)	INTERPERSONAL THERAPY (IPT)

Note: * The degree to which the therapy involves with/without therapist elements varies by therapy type, therapist approach, and patient needs
Source: L.E.K research and analysis

The role of psychotherapy

What differentiates psychedelics from other drug classes, and what makes their commercialisation particularly complex, is that the medicines themselves are rarely administered in isolation. With the exception of fast-acting substances such as ketamine and dimethyltryptamine (DMT), most regimens are designed to be delivered alongside psychotherapy (see **Figure 2**).

Evidence suggests that the therapeutic benefit is significantly enhanced when patients are supported through a structured course of preparatory and follow-up sessions.

Typically, these regimens consist of three phases. Patients begin with a period of preparation, which may last from two to ten hours, during which they are introduced to the treatment model, supported to set intentions for their sessions, and trained in mindfulness and coping techniques that may be useful during the psychedelic experience.

They then move into the dosing sessions, which range in duration from less than an hour for ketamine to as much as eight hours for psilocybin. These sessions are carried out under supervision by one or more qualified professionals.

"Evidence suggests that the therapeutic benefit is significantly enhanced when patients are supported through a structured course of preparatory and follow-up sessions."

Finally, patients take part in integration sessions over the following days or weeks, usually two to three hours at a time, where they are supported to process and apply the insights they have gained. In some cases, integration continues for months.

Clinical trials using this approach have shown positive results in PTSD, alcohol use disorder and treatment-resistant depression. The strongest outcomes are being reported when psychedelic medicines are paired with psychotherapy, and it is increasingly accepted that this will remain the case for most regimens (see **Figure 3**).

Figure 3
Trial details and readouts for a selection of late-stage psychedelics studies

SPONSOR	THERAPY	PHASE	INDICATION	TRIAL SIZE	TRIAL DURATION	COMPARATOR	RESULTS
Lykos Therapeutics	MDMA plus psychotherapy	III	PTSD	90	1.8 years	Placebo plus psychotherapy	**88%** in treatment group had a **reduction in PTSD diagnostic score vs 60% in placebo plus psychtherapy** two months post-treatment **67%** in treatment group **no longer met the diagnostic criteria for PTSD vs 32%** in placebo plus psychotheraphy two months post-treatment
Awakn Life Sciences	Ketamine plus psychotherapy	II	AUD	96	3.3 years	Placebo plus alcohol education group	Significant **increase in abstinence from 2%** prior to the trial to **86% post-trial** **Risk of relapse 2.7 times less vs placebo** plus alcohol education group
Compass Pathways	Psilocybin 25 mg plus psychological support	II	TRD	223	2.4 years	1 mg group plus psychological support	**30%** of patients in 25 mg group achieved **remission at week 3** (higher than response rate seen for equivalent lines of treatment in STAR*D study* **20%** of patients in 25 mg group had a **sustained response at week 12** vs. 10% in 1 mg group

Note: PTSD= post-traumatic stress disorder; AUD= alcohol use disorder; TRD= treatment-resistant depression
Source: L.E.K research and analysis

Commercialisation challenges

This model creates major challenges when it comes to commercialisation. Unlike a conventional pharmaceutical launch, where success depends largely on regulatory approval and supply chain execution, psychedelic therapies will require the creation of an entirely new delivery infrastructure. The sector will not only need drugs that are safe and effective, but also sufficient numbers of trained therapists, new types of care settings, and reimbursement frameworks capable of supporting what is often a high-cost, resource-intensive treatment pathway.

Therapist capacity represents one of the most significant bottlenecks. In the United States alone, it is estimated that around 12,000 additional therapists may be required at peak demand to support psychedelic-assisted therapy, a figure equivalent to about 6% of the current licensed therapist workforce. Training is also expensive and time-consuming: a full certification course for new entrants can last nine months and cost upwards of US$10,000. For experienced therapists, shorter training is possible, but scaling up the workforce quickly will remain difficult.

Infrastructure poses a second challenge. Psychedelic therapies are unlikely to be administered in general outpatient clinics in the near term. Safety and regulatory concerns mean that access will often be restricted to designated centres under Risk Evaluation and Mitigation Strategies. Building and staffing these facilities requires capital investment, adds friction to rollout, and risks creating inequalities in access between geographies.

Finally, there is the question of cost and reimbursement. Treatment courses can cost more than US$11,000, far higher than the standard of care for most psychiatric disorders. Although the American Medical Association has created a billing code for psychedelic therapies, giving providers a mechanism to seek reimbursement, payers remain cautious. The number of therapy sessions required varies significantly by patient and by drug, and the evidence base is still small, making it difficult for insurers to predict costs with confidence.

Variability across clinical trials compounds this issue. Differences in therapy setting, patient populations, and the experience of therapists have all made replicability difficult. For investors and commercial operators, this translates into uncertainty: while clinical >

results are promising, questions remain about how these therapies will perform in routine practice and how they will be received by regulators, medical systems and payers.

Emerging solutions

Despite these hurdles, there are clear paths forward, and each one represents an area of opportunity. Investment in therapist quality and training is essential. Beyond simply expanding numbers, ensuring high and consistent standards will reassure regulators and payers, accelerate guideline development and help integrate psychedelic-assisted therapy into psychiatric practice.

Digital approaches are another area of promise. Digital tools can extend therapist reach, support patients between sessions, and standardise aspects of treatment that currently vary widely. They may also serve as standalone solutions, mirroring the use of prescription digital therapeutics in other behavioural health conditions.

New models of care also merit consideration. While dosing sessions themselves must remain highly controlled, preparatory and integration sessions could be delivered in group settings, significantly reducing therapist demand. In parallel, elements of therapy could be delegated to less specialised but well-trained staff, a strategy known as task shifting, which has proven effective in other areas of global health. This approach may be particularly relevant in low- and middle-income countries, where specialist resources are scarce.

“Digital tools can extend therapist reach, support patients between sessions, and standardise aspects of treatment that currently vary widely.”

Finally, continued research into treatment mechanisms will be vital. One of the most important outstanding questions is whether psychedelics are therapeutic in their own right or whether their primary value lies in catalysing psychotherapy.

Early trial data, such as Compass Pathways’ phase 2 psilocybin study, suggest a dose-dependent pharmacological effect. If future evidence confirms this, it could allow therapies to be administered under supervision by healthcare professionals who are not licensed psychotherapists, reducing workforce requirements and broadening access. It would also align more closely with existing regulatory models, in which approval is based on the efficacy and safety of drugs rather than psychotherapies.

Conclusion

The re-emergence of psychedelics is an unfolding commercial reality that could reshape mental health treatment in the coming decade. Late-stage clinical trials are already delivering promising results, and while hurdles remain, the path to commercialisation is becoming clearer.

For investors, the sector offers exposure to breakthrough therapies alongside the chance to shape the infrastructure that will determine whether these treatments can be delivered at scale. ■

HOW L.E.K. CAN HELP

As mental health assumes an increasingly prominent role in the healthcare system, we help organisations address a range of key issues, creating value for our provider clients and across the investment landscape. We assist clients with their commercial and growth strategy, supporting them in growing sectors such as psychedelic drugs. Our approach helps organisations consistently make better decisions, deliver improved business performance and create greater shareholder returns.

To find out more and for a further discussion, please contact Adrienne Rivlin, Partner.

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Does the UK Life Science Sector need the US?

Compass Carter Osborne

Compass Carter Osborne hosted an exclusive CXO joint-event earlier this year at the Royal Society of Medicine, discussing the draw of the US market for UK and EU-founded Life Science businesses.

The following article is an extract from a wider report offering insight and advice from panel members on key considerations when considering international launches into the US. Visit **www.compasscarterosborne.com** to access the article in full.

First steps for US market entry

Panel members were asked what they would highlight as important factors to consider when planning US market entry and building an organisational presence in America. Understandably, each turned first to their own areas of expertise. Brad Doline (Partner, Wilson Sonsini Goodrich & Rosati, LLP) talked about how a UK business leader might need to recalibrate their thoughts about how to work with legal advisors. Malcolm Joy (Managing Partner, Frazier & Deeter LLP) highlighted why thoughts about tax and company structure need to be considered early and are essential for reporting and to attract future investors. Laurie Spicer (Director, Foothold America) offered reassurance and practical solutions to the complexities of employment of people in the USA. Tarquin Bennett-Coles (Director, Compass Carter Osborne) described how to plan the sequence of hiring. Collectively, they talked about how all these factors combine to impact the shape and nature of your business, and whether you can or should try to steer the organisational culture.

Legal matters, why they matter

Brad offered insights into the differences of expectation and practical behaviours between a CEO and their legal advisors. While acknowledging that his comments about UK business behaviour might be something of a simplification, no one on the panel, or in the audience demurred when Brad described the typical UK expectation that you call your legal advisor – whether an inhouse general counsel or an external service provider, when you have an issue to address. Brad explained that in the US it is an expectation of both the lawyer and the CEO that there will be almost continuous engagement and proactive involvement in agreeing strategy and tactics, drafting documents and negotiating transactions.

> *"The leadership of a UK company planning for their US establishment should give early thought to legal and tax matters."*

Brad illustrated why these norms exist in the US market, why it is important to develop the relationships, and how to make this an advantage rather than a further administrative burden. Brad also offered reassurance that the service offerings to support UK companies entering the USA are well developed.

Tax, understanding the differences

Malcolm began by reminding us that the USA has a two-tier tax system. He described the Federal tax system as in many ways like the UK's. However, he highlighted how each US state has the power to raise taxes as that state sees fit. This adds complexity and may be a factor in selecting location for your US office.

Malcolm detailed how tax reporting and filing cycles differ in the USA compared with the UK, and how companies need to gear for a greater and more frequent level of data capture and financial reporting.

The panel collectively agreed that the leadership of a UK company planning for their US establishment should give early thought to legal and tax matters and should do so in a way that supports their overall business strategy and growth plan. While it might seem that a detailed discussion of legal or tax structures is like "the tail wagging the dog", a lack of awareness of the nature of the American corporate environment can hold you back. The right advice is readily available and setting up in a way that is both fit for purpose and recognisable is vital for successful US market entry and on-going business operations.

Employment practices and organisation issues

Discussions focused on the significant steps of employing people in the USA and establishing an operating company. It can seem daunting to juggle many factors such as differences in salary expectations, how benefits and insurances differ between American and British employment practice, and how to deal with the operation and administration of payroll. Laurie was able to put minds at ease by introducing a service that her business can support, that of being the Employer of Record. When a UK company is further down the road of becoming established, it will have its own offices, will recruit and manage the employment relationship, and will operate a payroll. An Employer of Record is an extremely helpful way of getting started with the first few who ensures that accounting and reporting is completed, and budgets are managed at an operational level.

"At the simplest level, setting out to be a good employer is always a sound way to start."

Tarquin also alerted us to the importance of planning for advice and leadership on regulatory affairs, clinical development and quality assurance. These expert professionals will be mission critical. There is a well-developed community of professionals in these fields who operate as consultants to early stage and development companies. Relevant professional experience and scientific/clinical expertise are the central drivers of such hiring and retention plans, often vital to building your US presence. The Employer of Record can also provide access to 401K plans (retirement savings plans) and other insurances for your employees, and your first employees can have all these elements of the package set up in five days.

We talked about the importance of understanding the American principle of Employment at Will. The nature of the employer/employee relationship is different, and the employee's rights exist, but in a different way. At the simplest level, setting out to be a good employer is always a sound way to start. There are legal and cultural differences to understand and appreciate, and advice is readily available. Tarquin reminded

us of several important considerations for life science and medical technology companies. In other sectors, a first hire in the USA is often a senior commercial leader. For life science, medical and health tech companies, a Chief Scientific Officer or SVP R&D may also be an early, if not the first recruit. This will depend on the stage of clinical research and development, the pipeline, patent position and clinical strategy. It is also necessary to have at least a finance professional amongst your early appointments, and depending on your funding strategy, this may be a FD or FP&A professional working for your UK based CFO, or you may need to consider having a US located CFO.

Tarquin also alerted us to the importance of planning for advice and leadership on regulatory affairs, clinical development and quality assurance. These expert professionals will be mission critical. There is a well-developed community of professionals in these fields who operate as consultants to early stage and development companies. Relevant professional experience and scientific/clinical expertise are the central drivers of such hiring and retention.

A similar consideration is whether your UK company has established a Scientific Advisory Board, and/or built a network of Key Opinion Leaders (KOLs) appropriate to the clinical development and approval of your product(s). While the science is in a sense global and neutral, there are practical and human reasons why it is an understandable expectation and a significant advantage to have USA-based KOLs.

Culture and synergies

A more pointed aspect of our discussion was around the employment of sales professionals and expectations about performance incentives and rewards. There were discussions about how the balance of the elements of the employment package can differ between the UK and USA. They discussed how sales presentations may begin with scientific and clinical focus in one setting and on the business case for investment in another.

The panellists also touched upon whether it is possible or desirable to build a unified company culture between you UK and USA operations. Key elements of this include recognising and responding to similarities and differences, and understanding how >

"The costs of clinical development programmes make it a necessity to plan for US investmen."

your communications processes and styles, your decision-making structures and your reward policies will drive your culture. It is possible, with careful thought and extensive communication and relationship building, to align your avowed culture, mission and values with leadership behaviours. However, an organisation's culture is a vibrant, evolving phenomena, and it is worth considering whether it is more important to be aligned, or appropriate to your local business environment.

Attracting US Investors

During our discussion about attracting US investors, there was a consensus that the costs of clinical development programmes make it a necessity to plan for US investment. The good news is that the appetite for investment in life sciences and medical technology in the USA is clearly expressed. Series A and Series B funding rounds in the USA are several orders of magnitude greater than in the UK and Europe. However, the fundamentals of attracting such investment require substantial planning and effort.

Malcolm and Brad both touched on the company filing and structure mechanism known as the "Delaware Flip". US investors of all types and all sizes have many American companies seeking investment, so it is perfectly understandable that US investors need and expect to see company structures that that they are familiar with.

A Delaware flip is a process where a US shell company is added at the top of your existing corporate structure. The panel advised that US investors are more likely to be interested when a UK company is established; perhaps already with a Series A or even Series B round of funding completed. You don't even have to have your first US employees to establish your Delaware corporation. It is easier for tax reasons, and more reassuring to US investors to have such a structure in place. Implementing a Delaware flip is a process that both Frazier & Deeter, and Wilson Sosini are familiar with, and it is a known and established process. It is not without costs and commitments, so it is not a step to be taken purely speculatively, and advice is available regarding timing.

Malcolm addressed a question about whether growth through acquisition is a viable option for UK life science companies. Frazier & Deeter have helped over 400 companies on their growth trajectories. Many of these companies have achieved their goals by organic growth. There have been a small number of cases where there has been growth through acquisition. Geoff Dobson (Non-Executive Advisor, Compass Carter Osborne) mentioned other options to consider including the use of contract sales forces, or licencing out your product.

While there are understandable initial concerns for UK CEOs to be concerned about changes to structures and the possible impacts on their control and impact, a US company structure needs to be appropriate to the market. Likewise, financial accounting and

reporting needs to be compliant, and early appointment of the right finance leadership is a vital consideration. As simplified rules of thumb, in addition to the business case and clinical programme, a US investor needs to see US style financial reporting, a US establishment and at least one C-suite level leader (often the CFO) located in the USA before investment.

Another related topic for future consideration is how your board of directors needs to evolve to meet investors' expectations. A minimum of one US based board member is the starting point. A US based chair is a great advantage. At least one US based Non-Executive Director is a minimum expectation.

Location matters

Location of your business may have evolutionary roots in the UK and may be determined by discovery research and academic support, funding requirements or other issues. Preparing for USA market entry needs to consider where you will locate.

The panel discussed the competing influences of the centre of gravity for your research environment, the centres for your clinical programmes, the base of your (current or prospective) American investors, and the available markets for key employees.

It is widely recognised that Boston is a biotech hotspot. For many companies, proximity to other life science businesses, employees and investors is the compelling reason for locating there. However, others are beginning to see the cost of office and laboratory space, and the competitive pressure of the local life sciences employment market as negative factors.

Philadelphia has in the past been seen as dominated by big pharma, and not necessarily an appropriate home for clinical stage biotech and medical technology companies. However, that has changed considerably in recent years, and there is now a vibrant start up and clinical development stage ecosystem in a corridor running from Princeton to Philadelphia. There is also an increasing footprint of life science companies, medical devices and MedTech firms towards Maryland and Baltimore.

The West Coast biotechnology market has been a phenomenon for a few decades and continues to develop. A West Coast to UK communications channel may be a stretch for a first location, unless there is another investment or scientific research reason that makes the West Coast a compelling first US location.

Lessor known, but vibrant and growing centres include Texas, particularly in relation to the MD Anderson Cancer Center in Houston; and North Carolina, home to the Research Triangle Park, the largest in the USA, bordered by Raleigh, Durham, and Chapel Hill and proximate to three major universities.

Evolution of your leadership teams and structures

Future consideration should be given to the growth and balance of your employee population, and the location of your leadership team. Board evolution is another topic to keep in view.

For many life science and technology companies, a necessary part of its evolution is a progressive transition and development of the organisation from one shaped for discovery and early-stage development, through clinical development and into its full commercial stage. These phases of organisational evolution will require new skill sets, experience and expertise. Your leadership team will need to be appropriately equipped to execute your commercialisation and market entry strategy. ■

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Private vs Public – still no clear winner

Following years of take privates, the public markets are making a cautious return with the successfull IPOs of Galderma, Diagnostyka and Asker and the opening up of the follow-on market.

From 2020-2023 the pace of take private transactions accelerated as the mispricing of public equity and the availability of leverage enabled private equity to offer material premiums to where stocks traded, and for strategics to purchase assets, often with the benefit of significant synergies.

In terms of subsectors, pharma services and life sciences were the main targets, with real estate and healthcare services driven assets more a focus for acquirors with significant ownership of the target already and seeing a value play in a take private (MSC/Remgro and Mediclinic and the Sheikh brothers and Caretech).

With some €25bn+ of tradable equity leaving the European listed sector just in healthcare over those three years, the universe of investable stocks for public investors continued to shrink. This is reflective of a broader, potentially existential, threat to the public markets as liquidity and research dry up. Does this really matter?

> *"IPOs are part of the "circle of life" and may in fact be back with the success of Galderma and a couple of other deals – but does this herald a return to the public markets of key assets? Not clear."*

The reduction in the listed ecosystem has numerous ramifications in terms of:

- Economic growth, given that small & midcap companies generally are growing, whereas many of our larger companies are shrinking their workforce.
- Lower attraction of the EU (versus the US) as a listing venue, particularly as many companies leaving the market are in growth sectors.
- Reduction in sector peers and depth of knowledge, which further reduces the attraction of listing. This is most obvious in the healthcare sector with the recent departures of companies opposite.
- Negative impact on a broad range of professional services firms, which is a particular area of expertise and knowledge
- Reduction in corporation tax due to the new ownership structure (eg Asda & Morrisons).
- Reduced importance of capital markets in international indices, resulting in lower attention from international investors.
- Quoted companies generally have conservative balance sheets, enabling greater capability to manage economic shocks and interest rate cycles. The benefit of permanent capital should not be underestimated.
- There is a change from broad to narrow ownership.
- Circularity of negativity, whereby valuations are low, liquidity is depressed and companies exit the market as long-term prospects/ valuation are not being adequately recognised.

IPOs are part of the "circle of life" and may in fact be back with the success of Galderma and a couple of other deals - but does this herald a return to the public markets of key assets? Not clear."

An IPO exit is not always straightforward - it remains exposed to macro and political volatility and it does not allow a full exit for the investors - but it can be a useful for very large assets and in providing some competitive tension in a sale process. A number of IPO candidates have therefore ended up as M&A transactions - for example the sale of Sunrise Medical (Nordic Capital) to Platinum Equity was also a proposed Euro 2bn IPO with BofA, UBS and Jefferies bookrunners and the sale of Stada by Cinven and Bain to CapVest was also a €10bn IPO with JP Morgan, Morgan Stanley and Jefferies again as bookrunner. The sale of 40% of Luz Saúde to Macquarie was another IPO with Citi and UBS as bookrunners.

The story is not all one sided though - Galderma may have opened the market, but Otto Bock, Diagnostica and Asker have all also IPO'ed. They are diverse in terms of geography, sector, local exchange dynamics and back story. And yet Spire Healthcare plc, the only listed UK hospital operators has mandated Rothschild to find a buyer.

Selected IPOs

DATE	COMPANY	IPO EV ($M)	SECTOR	OWNER	GLOBAL CO-ORDINATORS
Oct 25	Otto Bock	4.30bn	Medtech	Private (ex EQT)	BNP, DB, GS
Mar 25	Asker	2.4bn	Healthcare	Nalka	CAR, CITI, NORD
Feb 25	Diagnostyka	885m	Healthcare	MidEuropa	CITI, JEF, SANT, HAND
Jun 24	Alef Education Holding	2.57bn	Healthcare	Tech Nova	EFG, FADB
Jun 24	Cinclus Pharma	128m	Life Sciences	Flerie, Sofinnova, HealthCap	CB, BG
Jun 24	Fakeeh Care Group	3.55bn	Healthcare	Private	HSBC
Apr 24	CVC	15bn	Healthcare	CVC	GS, JPM, MS
Sep 23	Galderma	20bn	Pharma	EQT, ADIA, GIC	LAZ / GS, MS, UBS
Aug 23	Schott Pharma	4.54bn	Pharma	Carl Zeiss Foundation	DB, BofA, BNP

IPO Pipeline

COMPANY	STATUS	SECTOR	OWNER	GLOBAL CO-ORDINATORS
IVC Evidensia	Pipeline	Veterinary	EQT	TBC
BrainLab	On hold	Medtech	Private	DB, BER

Take private watch list

COMPANY	MARKET CAP ($)	SECTOR	APPROACH	ADVISORS
Spire Healthcare	1.2bn	Healthcare	TBC	ROTHS
Gerresheimer	1.1bn	Medtech	Warburg Pincus / KKR	NA
Grifols	8.04bn	Life Sciences	Brookfield	MS

Selected Take Privates

DATE	COMPANY	VALUE	SECTOR	ADVISOR	ACQUIROR	ADVISOR
Jun 25	Compugroup	€1.14bn	Software	DB, JPM	CVC and Gotthard family	NA
Jan 25	Alliance Pharma	$431	Pharma	DB, EVER	DBAY	INV
Sep 23	Synlab	€2.2bn	Diagnostics	LAZ	Cinven	MACQ/DB
Aug 23	Instem	£203m	Pharma Services	ROTH	ARCHIMED	MOE
Aug 23	Ergomed	£703m	Pharma Services	JEF	Permira	ROTH
Aug 23	abcam	$5.7bn	Life Sciences	MS/LAZ	Danaher	JEF/BAR
Aug 23	Civitas Social Housing	£485m	Healthcare Real Estate	PG/LIB	CK Asset Holdings	HSBC
Apr 23	Dechra Pharma	£4.6bn	Animal Health	INV	EQT/ADIA	MS/JEF/BofA
Apr 23	Medica	£269m	Diagnostics	EVER/NUM/LIB	IK Partners	JEF
Jun 22	CareTech	£870m	Healthcare Services	PG/NUM	Sheikh Family	DB/CITI/LAZ
Jun 22	EMIA	£1.3bn	HCIT	DB	United Health	RW
Dec 21	Clinigen	£1.6bn	Pharma	NUM/RBC	Triton	JPM/HSBC/BAR
Jul 21	Vectura	£1bn	Pharma	ROTH/JPM	Philip Morris	BofA
Jun 22	Mediclinic	£2bn	Healthcare Services	MS/UBS/STANB	MSC/Remgro	UBS
May 21	UDG Heathcare	£2.9bn	Pharma Services	GS/ROTH	Clayton Dubilier	DB/CITI/JPM
May 20	Huntsworth Health	£400m	Pharma Services	ROTH	Clayton Dubilier	HL/BofA/RBC/BAR

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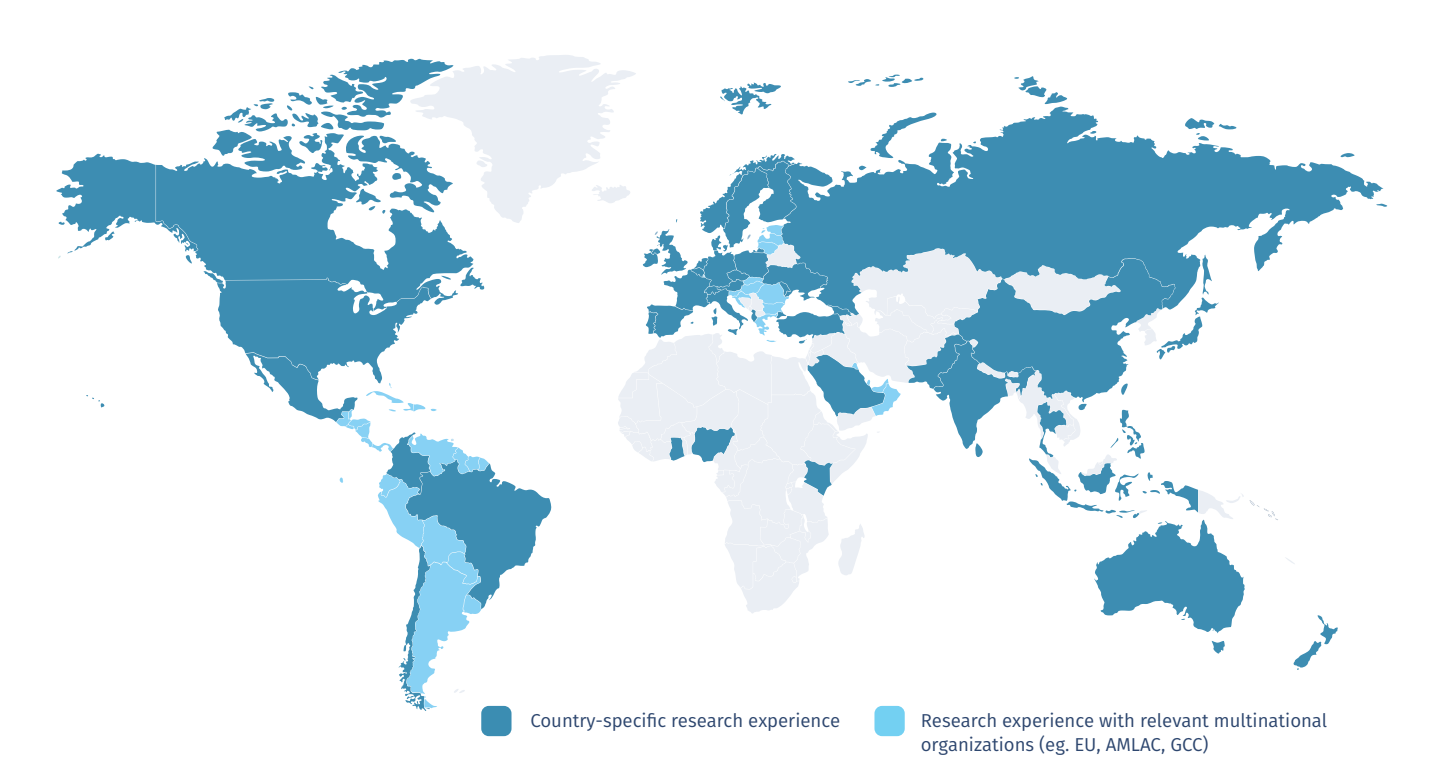


$500B+
➞ IN TRANSACTIONS SUPPORTED

5000+
➞ ENGAGEMENTS

100+
➞ HEALTHCARE SUBSECTORS

Life Sciences Contracting;

A Transatlantic Policy Contrast

Marwood

Authored by: Nayan Ghosh, Dr. Vikas Yadav, Mark Galay, Kim Vukhac, Ritu Nalubola, and Lili Steel

Policy dynamics for outsourced life sciences services across the U.S. and EU in 2025 and beyond

In 2025, the life sciences policy landscape across the U.S. and EU undertook large, divergent, and sometimes chaotic shifts, and it is likely we will continue to see other shifts between the finalization of this article on October 8 and its publication in November. For individual biotech, pharma and MedTech sponsors, the impacts of these shifts vary widely dependent on product novelty, administration, impact, and therapeutic area. While certain tides affect all ships, each product in a sponsor's pipeline or portfolio is but one ship in a turbulent ocean. Although its journey comes with many risks, there is great potential for reward in the way of validation, approval, coverage, reimbursement, and uptake. In an uncertain policy and funding environment, most of these products have kept afloat through an increasing reliance on outsourced services and solutions, whether contract research, manufacturing, or marketing. While the outsourced platforms that meet these needs are less likely to coast or capsize after one change of the winds or turn of the tide, some of their clients' products very well might. Thus, macro policy trends, whether in the way of tariffs, subsidies, marketing authorizations, advertising regulations, or price restrictions, can have a lasting and material impact on these outsourced businesses. In this whitepaper, we outline and contrast some of these policy shifts across the U.S. and Europe and provide some perspective on how such shifts could impact these outsourced companies and their clients. >

International Reference Pricing

Before diving into specific areas within contract services, be they supply chain, clinical trial, or marketing-related, this piece will start by exploring a prospect that could impact all of them: international reference pricing. Driven by significant disparities in drug pricing between the US and other developed nations, the second Trump Administration has sought to tie drug prices to global benchmarks. In May 2025, President Trump issued an Executive Order aimed at equalizing drug prices through Most-Favored-Nations (MFN) policies, revisiting initiatives from his first term that were ultimately blocked in court.

While Marwood believes European drug pricing is relatively stable, if the US were to bring these MFN policies to fruition, the indirect impact to European drug pricing could be significant. However, the MFN Order did not offer specifics on how manufacturers would be compelled to offer such pricing. The One Big Beautiful Bill Act (OBBBA), the Trump Administration's landmark legislation, passed in July without any reference to MFN, signalled that MFN policy will likely be pursued through regulatory action as opposed to legislative. A few weeks after OBBBA's passage, President Trump sent a letter to 17 leading pharma companies expressing discontent with the progress that they had made with respect to his MFN Order. In this letter, he outlined four steps he wanted manufacturers to provide a binding commitment on by September 29, 2025 or he would pursue regulatory actions to impose his desired MFN policy:

- Provide MFN pricing to every Medicaid beneficiary.
- Guarantee MFN pricing for newly launched drugs across all payers.
- Provide DTC or direct-to-business pricing (DTB) for high-volume, high-rebate drugs.
- Repatriate back to the U.S. higher revenues that manufacturers obtain from driving harder negotiations with foreign countries in order to lower drug prices for Americans.

Leading up to the September 29 deadline, certain pharma companies took steps toward some of the four prongs, such as launching DTC programs, attempting to increase European list prices, and reshoring manufacturing to the US. However, on September 30, President Trump announced that one of the 17 companies, Pfizer, agreed to follow all four demands and received a three year grace period on tariffs, setting a template for the other 16 to follow. It is not known what will come of pharma manufacturers who have not yet committed to implement the policy. A proposed rule entitled "Global Benchmark for Efficient Drug Pricing (GLOBE) Model" which is widely believed to be an MFN drug pricing payment model, is pending review at the Office of Management and Budget (OMB), the last procedural step prior to its target release date in November. The contents of GLOBE are not public, but it could potentially be used as leverage to encourage other pharma companies to agree to a Pfizer-like deal. Although the threat of GLOBE is unclear, Marwood believes that the impact to manufacturers that make the same commitments that Pfizer did, is limited, for the below four reasons:

1. Pricing for Medicaid is already heavily discounted, approaching MFN pricing
2. Manufacturers of newly launched drugs are likely to develop novel pricing and market launch strategies on a prospective basis, such as by launching comparable list prices in all relevant countries but negotiating proprietary discounts that yield a net lower cost to those countries' health systems
3. A "TrumpRx" DTC program is unlikely to have a meaningful impact on the pharmaceutical ecosystem, as there are many "DTC"-like discount programs already available in the form of cash card programs; such programs are unlikely to be deriving meaningful volume from brand drugs, in Marwood's view, as a person who cannot afford insurance or only afford a plan that has minimum coverage would unlikely be able to afford a brand drug used on a chronic basis, even if it were discounted significantly
4. The letter mentions that US trade policy will attempt to support attempts to implement MFN pricing abroad, if resulting gains are repatriated back to the US through lower prices.

If an MFN policy were to be implemented, that could indeed have an impact on drug manufacturer R&D spend, as well as potential de-prioritization of ex-US market launches or more aggressive ex-US pricing strategies. However, Marwood believes that near-term U.S. drug launches are at limited risk if manufacturers employ a responsive pricing and market access strategy. In such a case, more so than a negative impact on contract research services and solutions, it could provide opportunity to pharma commercialization, distribution, DTC, and market access services that help navigate these nuances. However, the impact of MFN to contract manufacturing and supply chain logistics platforms is less clear given the unpredictable interplay with US tariffs and trade policy. >

→ **Figure 1:** Overview of US Tariffs (as of October 8)

UNITED KINGDOM

- 10% Baseline Rate
- In effect
- Commitments to preferential tariff and trade for pharmaceuticals and API pending 232 investigation

SWITZERLAND

- 39% Baseline Rate
- In effect

JAPAN

- 15% Baseline Rate
- In effect
- $550 bn investment into the U.S. including for pharmaceutical and medical production
- Generic drugs, their API and KSM excluded

CANADA

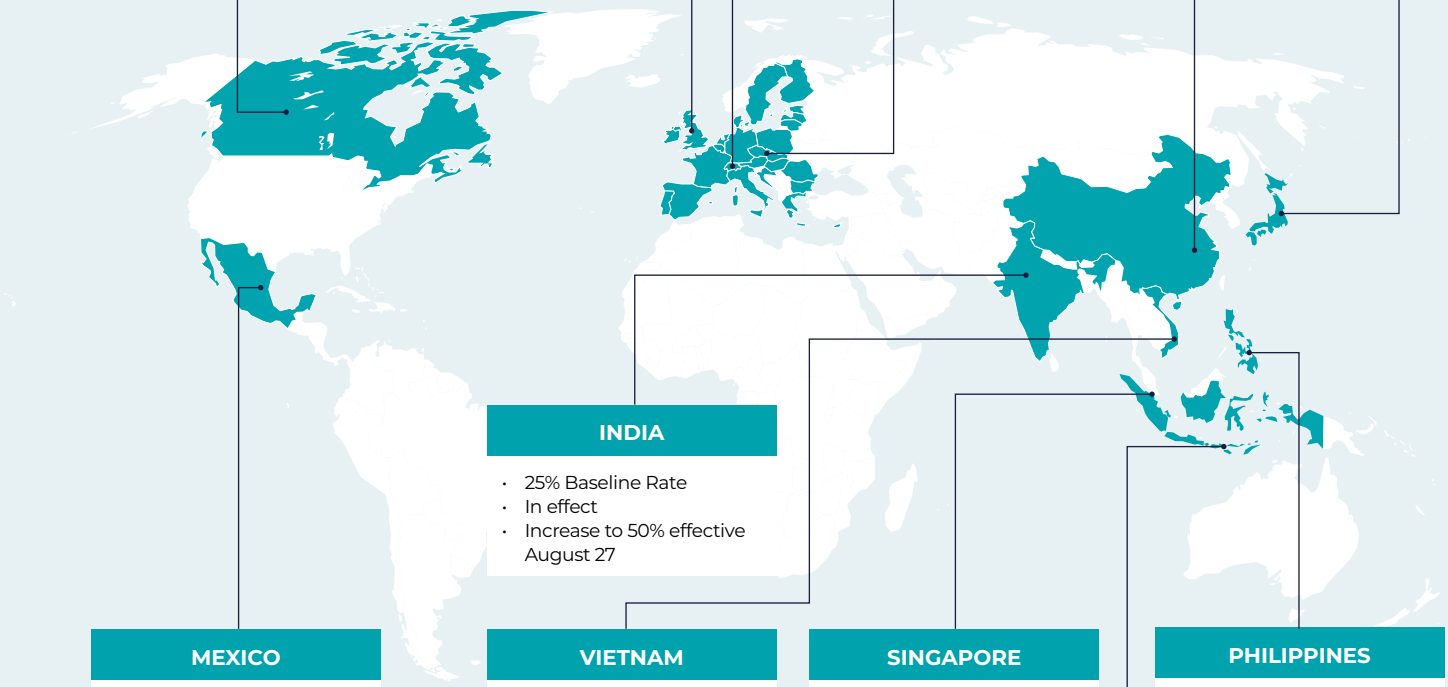
- 35% Illicit Drugs IEEPA
- USMCA compliant good exempt
- In effect pending appeal

EUROPEAN UNION

- 15% Baseline Rate
- In effect
- Brand Pharmaceuticals capped at 15%
- Generic drugs, their API and KSM are excluded

CHINA

- 20% Illicit Drugs IEEPA – In effect pending appeal
- 34% Reciprocal IEEPA – Decreased to 10% during 90-day pause through November 10 – In effect pending appeal



INDIA

- 25% Baseline Rate
- In effect
- Increase to 50% effective August 27

MEXICO

- 25% Illicit Drugs & Border IEEPA
- 30% increase delayed to October 29
- USMCA compliant goods exempt
- In effect pending appeal

VIETNAM

- 20% Baseline Rate
- In effect

SINGAPORE

- 10% Baseline Rate
- In effect
- Seeking pharmaceutical tariff concessions

PHILIPPINES

- 19% Baseline Rate
- In effect

RECIPROCAL

- Country-Specific IEEPA
- In effect August 7, pending legal appeal
- Pharmaceuticals exempt pending 232 Investigation
- Trade negotiations ongoing
- Canada, Mexico exempt
- Sanctioned countries exempt (Russia, Cuba, North Korea, Belarus)

PHARMACEUTICALS

- Section 232
- Investigation proceeding, comments period closed
- Pending completion of investigation

Countries with active US pharma tariffs

INDONESIA

- 19% Baseline Rate
- In effect
- Eliminate tariff barriers on health products including pharmaceuticals
- Indonesia will accept FDA certificates and prior marketing authorizations for medical devices and pharmaceuticals
- Exempt US medical device exports from certification and labeling requirements

Manufacturing & Supply Chain

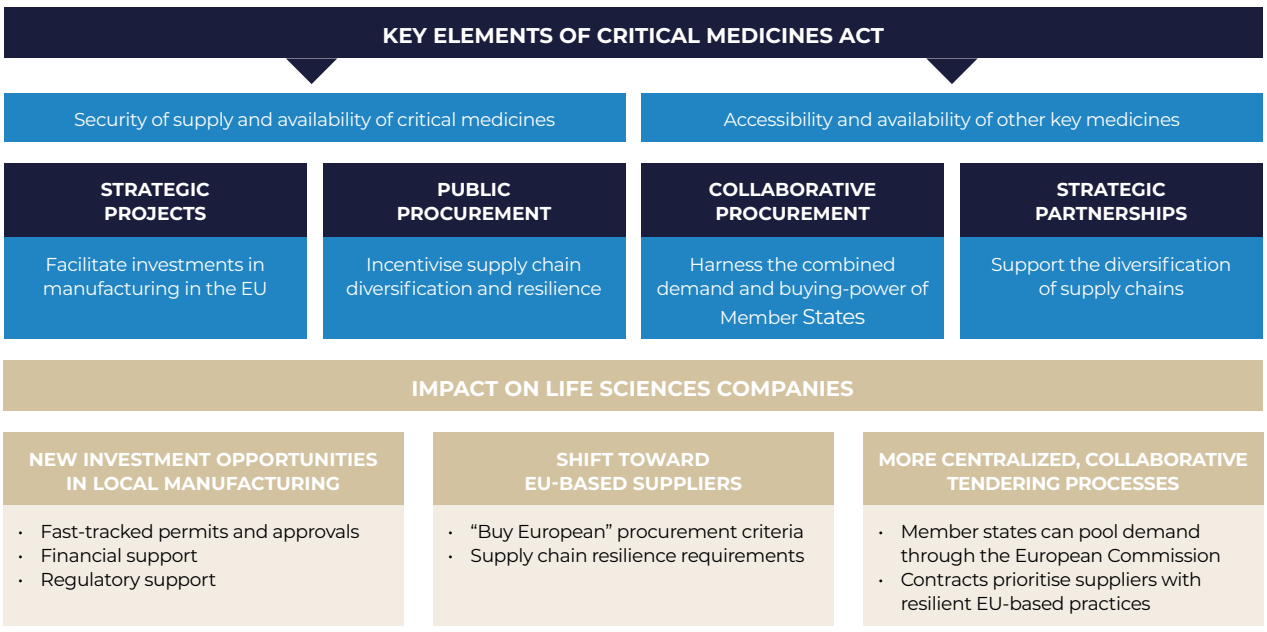
US Tariffs & The BIOSECURE Act

The second Trump Administration has brought ongoing uncertainty and legal challenges over the broad and sweeping tariffs it has implemented. Tariffs have been instituted under Section 301, the Internation Emergency Economic Powers Act (IEEPA), and Section 232. Marwood believes these tariffs will likely incorporate exceptions, as many products are critical for patients. In late September, the Trump Administration also launched a Section 232 investigation into medical products, which includes medical devices, equipment, and PPE. The ultimate outcome for medical products may mirror the Section 232 investigation into pharmaceuticals, given the comparable nature of the categories. Products subject to Section 232 tariffs or investigations largely remain exempt from IEEPA tariffs.

Globally, tariff structures vary widely across key exporters to the United States. In Europe, the UK has implemented a 10% baseline rate, while the EU applies a 15% baseline rate. Active pharmaceutical ingredients (APIs) and key starting materials (KSMs) are excluded as part of the EU trade deal while the UK is expected to see similar preferential treatment. A more detailed depiction of the tariffs frameworks as of September 2025 is displayed in **Figure 1**, though the rates are subject to frequent change. The unpredictability of the Trump Administration policy is underscored by the September 25 threat of a 100% tariff on pharmaceutical companies unless they are "breaking ground" on building manufacturing plants in the United States. While the 100% tariff threat was higher than expected, it was preceded by a previous threat of 200%. Despite the turbulence, it appears the White House will continue to honour trade agreements, such as those made with both the EU and Japan. Looking ahead, for other healthcare categories, such as medical devices, equipment, and PPE, there is potential for higher tariff rates under Section 232 than the current country-specific levels in-place for pharmaceuticals.

Gross margins on branded drugs are often 95%+ and manufacturing cost is a small part of revenue, making branded drugs potentially more resilient to potential tariff impacts than generics. Branded drug manufacturers also now have other avenues to explore to mitigate tariff impact, such as agreeing to President Trump's MFN Order in exchange for a tariff grace period, as Pfizer did. By contrast, generics could face significant pricing pressure if the tariff costs are passed along, however the Trump Administration has to-date viewed generics distinctly from brands and may have differentiated treatment as it relates to tariffs. In addition to potential manufacturing and supply chain disruptions, tariffs may accelerate long-term domestic manufacturing investment for pharmaceuticals and medical devices, equipment and PPE. Eli Lilly, for example, recently announced a $6.5 billion investment in a new API facility in Houston, Texas. Looking ahead, considering the tariffs and domestic investment, there could be a gradual shift towards more US-based API production, and device and equipment manufacturing, though

Figure 2: Onshoring and the EU's Critical Medicines Strategy



full impact will depend on how exemptions and legal rulings ultimately unfold.

In addition to sponsors and CDMOs needing to navigate the unpredictable threat of tariffs, they must now once again grapple with the prospect of the BIOSECURE Act, which has evolved and gained new momentum. After failing to pass in 2024, an updated version of the Act was included in the FY26 National Defence Authorization Act (NDAA) which recently passed by the House. Unlike the earlier version, which explicitly named certain companies including WuXi AppTec, WuXi Biologics, BGI Group, MGI Group, and Complete Genomics, this iteration reflects a bipartisan shift in both the House and the Senate to instead align with the Department of Defence's Chinese Military Companies List (the DOD list). While many of the same companies may still be affected, the scope of restrictions appears to be narrower. This approach could still implicate additional entities on the DOD list that were not previously captured in the BIOSECURE Act; however, the overall impact may feel more constrained compared to the sweeping reach of earlier proposals. The impact to biopharma as a result of the updates would not be dissimilar to the previous version of the BIOSECURE Act, companies may need to change relationships with China-based CDMOs, resulting in some drug supply bottlenecks, and options including on-shore manufacturing or diversifying supply chains by partnering with other nations may become the focus of key industry players. Ultimately, the picture will only become clearer once both chambers reconcile their versions of the NDAA and a final bill is sent to the President's desk.

While the threat of tariffs and BIOSECURE are real, we would urge sponsors and CDMOs from reacting too quickly to every headline. Reshoring is a major decision and parsing the signal from the noise will be essential to navigating these chaotic waters.

The EU Critical Medicines Act

The Critical Medicines Act (CMA) was published by the European Commission on March 11, 2025 and works to address supply chain vulnerabilities and improve the availability of critical medicines and medicines of common interest (e.g. for rare diseases), including medicines for which no alternatives exist. Not dissimilar to the goal of the tariffs implemented in the United States, , the CMA aims to ensure the security of supply and availability for critical medicines and streamlined procurement of other key medicines. Key elements of the CMA include broadening the supply chain through strategic partnerships to avoid dependencies on singe suppliers, collaborative procurement including favouring EU production, and easier funding access and fast-tracked procedures for critical medicines ingredients. The "Buy European" principle, which requires EU contracting authorities to favour EU production of specific critical medicines with high dependencies, could generate some international trade discontent. The CMA is expected to be adopted in Q4 2025, with implementation beginning in 2026. The CMA arrives as a seeming addition to two other initiatives by the European Commission, the EU Stockpiling Strategy and Medical Countermeasures Strategy, which all highlight a focus on bolstering supply chain resilience, cross-border collaborations, and driving innovation for medical supplies.

> *"Outside of the CMA, the EU has other plans to establish itself as the world's most attractive destination for life sciences innovation by 2030."*

While life sciences companies and CDMOs would do well to evaluate whether they could take advantage of any of these benefits, a major shortfall of the CMA is its limited funding. The budget of €83 million for 2026-2027 is considered by the industry to be relatively low and will likely only cover coordination from the EMA and EC as opposed to supporting production shifts on a large scale. However, outside of the CMA, the EU has other plans to establish itself as the world's most attractive destination for life sciences innovation by 2030, named the EU Life Sciences Strategy.

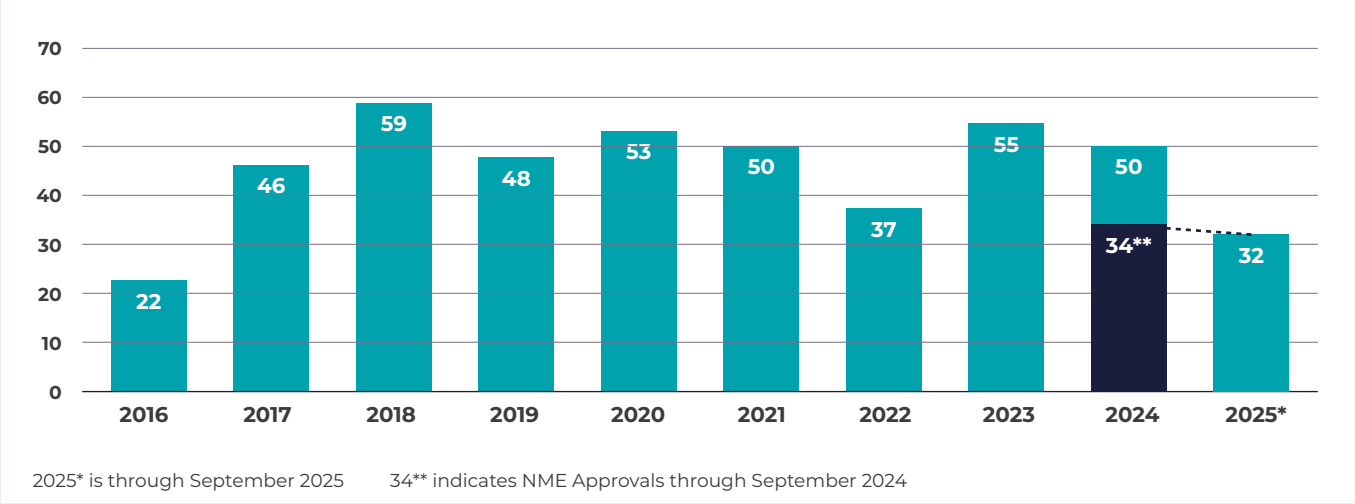
Life Sciences Clinical Trial Outlook

The EU Life Sciences Strategy

Despite a centralised approval process, the EU's life sciences industry continues to face significant financing and investment challenges, primarily due to fragmented capital markets. Additional structural barriers – such as disconnected research and innovation (R&I) ecosystems, limited commercialization of scientific breakthroughs, underutilization of data and AI, and complex, often inconsistent regulatory frameworks – further impede the sector's growth and global competitiveness. To address these challenges, the Strategy outlines a comprehensive action plan across three key phases:

- Ensuring smooth and rapid market access for life science innovations
- Optimizing the R&I ecosystem to build a globally competitive life sciences sector
- Boosting the uptake and use of life science innovation across Europe

Through sweeping regulatory reforms, including streamlined clinical trial approval, harmonised health technology assessments, and the forthcoming EU Biotech Act, the strategy >



2025* is through September 2025 34** indicates NME Approvals through September 2024

promises faster, more predictable pathways for bringing new therapies to market. Investments in AI infrastructure, data governance, and cross-border clinical trial networks are set to accelerate drug development, reduce administrative burdens, and enhance the ability to demonstrate value to regulators and payers.

As the public sector becomes a more proactive partner in fostering innovation, investors can expect greater transparency, increased co-investment, and a clearer route to commercial adoption, making the EU a compelling destination for life sciences capital and supporting the emergence of high-growth ventures across the region. This, in turn, signals a positive outlook for European clinical trials and all the various solutions and service providers targeting the clinical trial ecosystem in Europe. However, even pharma companies that conduct all of their clinical trials in Europe will generally structure their protocols with an eye towards US market entry, and so, regardless of European regulatory advancements, it remains important to understand the regulatory environment across the pond.

FDA & NIH Impact to Clinical Trial Outlook

At both the National Institute of Health (NIH) and the Food and Drug Administration (FDA), two bastions of US life sciences funding and regulation, respectively, it has been year marked by instability. In addition to thousands of staff reductions across the two federal agencies and billions in proposed NIH budget cuts, there has also been more concern of politicization of their respective functions. NIH grant funding has been used as leverage by the Trump Administration in negotiations with US universities. FDA regulatory decisions, such as the approval of GSK's previously withdrawn NDA for GSK's Wellcovorin, the label change for acetaminophen regarding use by pregnant women and risk of autism, and efforts to restrict eligibility for mRNA vaccines, are regarded as controversial by many in the scientific community.

↑ **Figure 3:** Number of New Molecular Entities (NME) approved by the FDA

However, while these precedents may be concerning to those working in life sciences R&D, they are generally limited to specific cases and have not had a broad impact to the life sciences industry as a whole. The FDA drug approval environment is broadly stable; there have been some short-term delays in approval timing, but 32 novel drugs were approved through September 2025, in line with the 34 approved at that time in 2024; clinical trial activity does not appear to have slowed in 2025. Similar stability is seen in the number of NIH clinical trials, with a relatively consistent number of trials started by month.

The Spring UA released in September emphasized clinical trial harmonization, accelerated approvals, adaptive trial designs, and modernization, particularly in the context of rare disease treatments. The FDA has also signalled support for the use of AI in clinical trial design, patient selection, dosing regimen, safety monitoring, patient outcomes, and data analysis. In June 2025, the FDA launched Elsa, a large language model-powered AI tool, to incorporate efficiencies across various operations, such as clinical protocol reviews, scientific evaluations, inspection targets, adverse events summaries, and label comparisons. Amidst mixed performance feedback, FDA has signalled ongoing work to update the tool and add more capabilities to address hallucinations

> *"As the public sector becomes a more proactive partner in fostering innovation, investors can expect greater transparency, increased co-investment, and a clearer route to commercial adoption."*

and other challenges observed. Once again, headlines both positive and negative rarely tell the whole story, and understanding the real-world implications of these nuances can prove challenging, which brings us to our final topic: pharmaceutical marketing.

Pharma Marketing

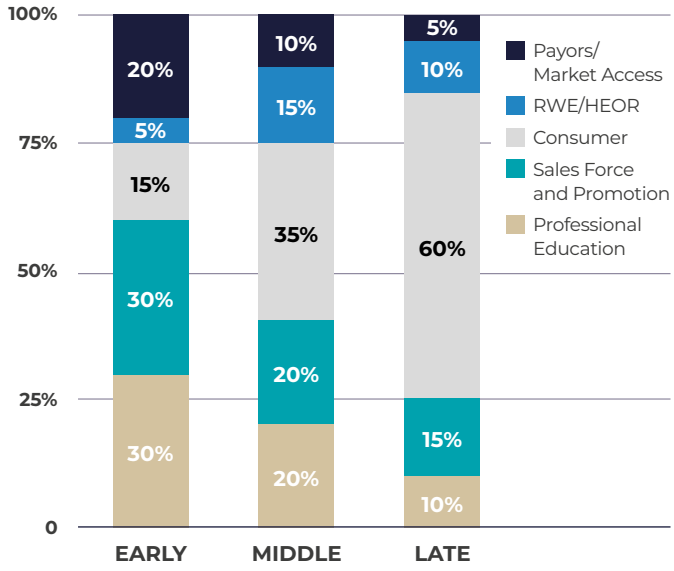
No country besides the US and New Zealand permit the practice of direct-to-consumer pharmaceutical marketing. However, in the US, DTC prescription drug advertising is a cornerstone of market access strategies and a major portion of overall spend, particularly later in a drug's patent lifecycle (**Figure 3**).

Due to the industry's reliance on DTC pharma marketing in the US, there was much concern over the rhetoric of Trump-appointed Health and Human Services Secretary Robert Kennedy Jr, who advocated strongly against the practice. However, President Trump has not signalled interest in a DTC ban, and any such effort would face an uphill legal battle around First Amendment liberties for free commercial speech. The FDA has the authority to stringently regulate DTC advertising practices. Thus, it came as no surprise when the Trump Administration issued a memo in September calling for increased disclosures, transparency and enforcement. Soon after, FDA announced it would aggressively deploy enforcement tools, including with use of AI, to rein in misleading DTC advertising.

In September, FDA issued letters to manufacturers demanding compliance and removal of violative advertisements, and indicated its intent to tighten regulations, specifically, the 'adequate provision' that allows broadcast advertisements to simply list sources for consumers to access full prescribing information about the drug rather than including in the advertisement, itself.

Marwood believes that while this federal directive will prompt manufacturers to review their ads and ensure compliance, manufacturers are likely to continue to engage in DTC advertising. Stringent FDA enforcement actions and potential new requirements in the future, however, could drive a shift to media channels that can more easily accommodate full risk disclosures or potentially shift marketing dollars away from DTC to target healthcare providers.

While pharma marketing in the US has traditionally targeted channels like television and print, over the last five years, spend on hyper-targeted digital ad campaigns through social media, podcasts, mobile apps, and search, and mobile apps, has eclipsed traditional channels. This is driven not only by more effective direct-to-consumer targeting; digital is a natural fit for targeting specialized prescribers as well. Thus, regardless of Trump's memorandum, there was already natural market momentum towards digital channels and the targeting of healthcare providers, and services and solutions providers that can enable this targeting may benefit from market and policy tailwinds in the US. However, the Tump Administration is also likely to increase scrutiny of digital ads that do not allow for full disclosure of risks.



↑ **Figure 4:** US Biopharma Marketing Spend Allocation Over Drug Lifecycle, By Category

While this form of digital targeting of providers is technically legal in the EU, it is heavily regulated at the EU and Member State level, and thus not practiced at the same scale or level of sophistication as in the US. However, given that outsourced European marketing, commercialization and medical affairs platforms focus entirely on healthcare professionals, there will likely be significant interest in balancing effective digital targeting with compliant practices across Europe.

Conclusion

It has been a turbulent but transformational year for life sciences policy, and in such a heavily regulated market, it remains imperative that outsourced life sciences services and solutions monitor these policy dynamics closely. However, they must also not be too reactive to each and every change of the wind. Marwood's unique focus at the intersection of policy and strategy is distinctly suited to assisting investors and operators in navigating these uncertain times. ■

To contact Marwood Group, please email marketing@marwoodgroup.com

Healthcare investing is for global specialists

Healthcare is complex with both risks and returns - knowledge and breadth are key

Authored by: Sarah Ward, Executive Director of EHIA

Investors looking for outperformance when investing in private equity often look for single sector exposure – in fact nearly 20% of investors have this single sector exposure and it is to a handful of sectors, namely energy, technology and healthcare.

While there have been private equity funds focused primarily or exclusively on healthcare in the US for many years, until recently that had not been the case in Europe. The US is a larger, deeper, more active market. So much so, that a not-for-profit trade association the HCPEA (Healthcare Private Equity Association) was founded 25 years ago to support the healthcare private equity community in the US and Canada.

Global specialists

One of the key themes emerging in healthcare investing is that it is becoming increasingly specialised and also global, and that funds are adapting to reflect that. This has also been reflected in some high profile funds refocussing on different segments of the addressable healthcare investing market - for example Hg Capital focus on software, Apax invest out of their business services and tech teams and Synova again have a business services focus.

Knowledge in multiple markets can also be a competitive advantage - whilst the largest fund managers such as Advent International, Apax, Bain, Blackstone, Hellman & Friedman and KKR have invested globally across healthcare and life sciences for some time, there are now larger European funds that are increasingly active in the US with fully staffed offices, with names such as Bridgepoint, BC Partners, Cinven, CVC, EQT and Nordic Capital investing on both sides of the Atlantic. Driving this has been the focus on investment themes such as pharma services, HCIT and medtech that are by their very nature global and where an understanding of and position in the US market is often critical for success.

Perhaps a more interesting development is that of funds focused exclusively on healthcare and Europe. Historically, a handful of generalist funds have had a very strong track record in European healthcare such as Bridgepoint, Cinven, BC Partners, Blackstone, CVC, Hg Capital and 3i. Now there are a number of health-care-only funds in Europe, three with headquarters in London, one in France, and one in the Netherlands. The founders of these funds come with established track records in the industry, having held investment positions with firms such as 3i (ARCHIMED and GHO Capital Partners), Apax (G Square) and Nomura (Apposite). These funds have seen a healthy deal flow, with GHO raising its fourth fund at €2.5bn and Archimed closing its fifth multi assret fund at €3.5bn alongside a significant expansion in the US.

HCPEA members

HCPEA's 112 investor member firms must be focused on investing in leveraged buyouts and late stage growth equity, require a minimum of two healthcare-related portfolio companies and are among the best known, most respected private equity firms employing over 400

Healthcare focussed European funds

Impilo · Merieux Equity Partners · Lauxera Capital Partners · ARCHIMED · GHO Capital · G Square · goodgrower · Gilde Healthcare · Apposite Capital LLP

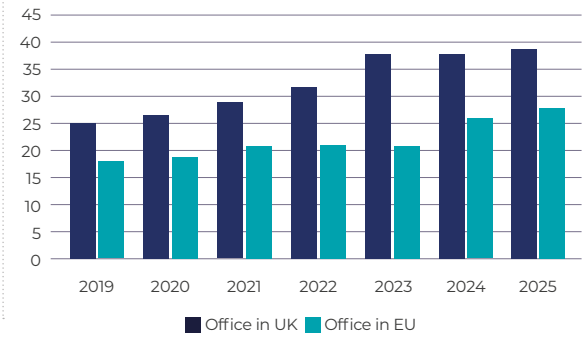
investment professionals and invest across healthcare services, information technology, pharmaceuticals and medical devices amongst others.

Collectively, HCPEA member firms have over $4 trillion AUM and are invested in 1,500+ healthcare businesses.

EHIA - the European landscape

The EHIA was founded just 4 years ago to support investors in Europe and there is a significant overlap between the two organisations - nearly 40% of HCPEA member have an office in the UK, 21% of them have an office elsewhere in Europe, and 10% are also members of the EHIA. Existing members of both include Apax, Nordic and Novo Holdings. Novo is particularly interesting as a holding and investment company that is responsible for managing the assets and the wealth of the Novo Nordisk Foundation (currently €149bn) is the world's largest philanthropic enterprise foundation focussed on healthcare (more than twice the size of the Bill & Melinda Gates Foundation and the Wellcome Trust) and having started in Copenhagen, and now expanding in the US with offices and teams.

% of HCPEA members with offices in UK and Europe (exc.UK)



HCPEA member firms 2025

NOTE: Firms in bold are members of EHIA

Firm Name	Office In UK	Office In EU
Abry Partners	Y	N
Advent International	Y	Y
Ampersand Capital Partners	Y	Y
Archimedes Health Investors	N	N
Ares Management LLC	Y	Y
Arsenal Capital Partners	N	N
Ascend Partners	N	N
Assured Healthcare Partners	N	N
Audax Private Equity	N	N
Bain Capital	Y	Y
Banneker Partners	N	N
Blackstone Group	Y	Y
Blue Sea Capital	N	N
BPOC	N	N
Brookfield Asset Management	Y	N
BV Investment Partners	N	N
Charlesbank Capital Partners	N	N
Chicago Pacific Founders	N	N
Cinven	Y	Y
Clayton Dubilier & Rice	Y	N
Comvest Partners	N	N
Concord Health Partners	N	N
Court Square Capital Partners	N	N
The Cranemere Group	Y	N
Cressey & Company	N	N
CRG	N	N
Curewell Capital	N	N
CVC Capital Partners	Y	Y
CVS Health Ventures	N	N
Declaration Partners	N	N
Deerfield Management	N	N
DW Healthcare Partners	N	N
Elements Health Investors	N	N
EQT	Y	Y
EW Healthcare Partners	Y	N
Excellere Partners	N	N
FFL Partners	N	N

Firm Name	Office In UK	Office In EU
Flexpoint Ford	N	N
Frazier Healthcare Partners	N	N
General Atlantic	Y	Y
GI Partners	Y	N
Goldman Sachs Asset Management	Y	N
Granite Growth Health Partners	Y	N
Great Hill Partners	N	N
Great Point Partners	Y	N
Gryphon Investors	N	N
Gurnet Point Capital	N	N
Harren Equity Partners	N	N
Harvest Partners	N	N
HealthEdge Investment Partners	N	N
Health Enterprise Partners	N	N
HealthQuest Capital	N	N
H.I.G. Capital	Y	Y
InTandem Capital Partners	N	N
Kelso & Company	N	N
KKR	Y	Y
Leavitt Equity Partners	N	N
Lee Equity Partners	N	N
Linden Capital Partners	N	N
Littlejohn & Co.	N	N
Lorient Capital	N	N
Madison Dearborn Partners	N	N
Martis Capital	N	N
MBF Healthcare Partners	N	N
Morgan Stanley Capital Partners	Y	Y
Mubadala Investment Company	Y	Y
Nautic Partners	N	N
Nordic Capital	Y	Y
Northlane Capital Partners	N	N
Norwest Venture Partners	N	N
Novo Holdings	Y	Y
Oak HC/FT	N	N
Oak Hill Capital	N	N
Odyssey Investment Partners	N	N

Firm Name	Office In UK	Office In EU
ONEX	Y	N
Ontario Teachers' Pension Plan	Y	N
Partners Group	Y	Y
Peloton Equity	N	N
Permira Advisers	Y	Y
PSP Investments	Y	N
Quadria Capital	N	N
Revelstoke Capital Partners	N	N
The Riverside Company	Y	Y
Rubicon Founders	N	N
Sentinel Capital Partners	N	N
Sheridan Capital Partners	N	N
SkyKnight Capital	N	N
Stone Point Capital	N	N
Summit Partners	Y	Y
Sverica Capital Management	N	N
SV Health Investors	Y	N
TA Associates	Y	N
Temasek	Y	Y
Thomas H. Lee Partners	N	N
Torquest Partners	N	N
TowerBrook Capital Partners	Y	Y
TPG	Y	Y
Trilantic North America	N	N
Two Sigma Impact	Y	N
Varsity Healthcare Partners	N	N
Veritas Capital	N	N
Vesey Street Capital Partners	N	N
The Vistria Group	N	N
Vitruvian Partners Ltd	Y	Y
Warburg Pincus	Y	Y
Water Street Healthcare Partners	N	N
Webster Equity Partners	N	N
Wells Fargo Strategic Capital	N	N
Welsh, Carson, Anderson & Stowe	N	N
WindRose Health Investors	N	N

HPE Europe 2025: Key takeaways

McDermott, Will & Schulte

On 25 September 2025, McDermott Will & Schulte was delighted to once again assemble a crowd of hundreds of healthcare professionals, investors and industry leaders in London for the annual Healthcare Private Equity (HPE) Europe conference.

HPE Europe is part of the firm's programme of flagship HPE conferences (also held in New York in October and Miami in March) dedicated to health and life sciences investing. It has been running for several years, with McDermott holding a leading position globally on health and life sciences transactions and ideally positioned to bring together key figures from the industry.

At The Peninsula hotel next to Hyde Park, this year's HPE programme allowed for networking and sharing of expertise, with keynote speakers Steph McGovern and Robert Peston, hosts of the hit UK podcast The Rest Is Money, providing some sharp takes on money, politics and the markets.

Then, throughout the day, panels of pre-eminent speakers discussed some of the latest trends impacting European healthcare investing, including life sciences developments, value creation and developing exit strategies.

"The current mood among healthcare investors and CEOs is one of cautious optimism," says Ira Coleman, chairman of McDermott Will & Schulte. "Financial conditions are improving, cost pressures are there, regulatory hurdles are there, but deals are getting done. We have been particularly active in Q3 so we are excited about what is next."

Sharon Lamb, head of healthcare and life sciences in the London office of McDermott, adds: "2025 has been marked by some significant geopolitical shifts, and that affected deal appetite, at least in the first quarter. But, as we head into autumn 2025, it is clear that transaction appetite is improving across the world. That is particularly true in Europe where it looks like we'll close out the year as one of the busiest periods since 2021."

The following is a summary of some of the big themes that were the subject of conversation at HPE Europe. These are likely to be the topics that shape our dealmaking and discussions over the months ahead and we were delighted to have the opportunity to hear the insights of those present.

Should you wish to explore any of these issues with us further, please do not hesitate to reach out to your usual McDermott, Will & Schulte contact. >

01.

Pharma and life sciences

- The impact of geopolitics and global policy shifts has been a big theme for European life sciences businesses over the past 12 months, given the heightened focus on Most Favoured Nation (MFN) drug pricing and the implications of that for manufacturing and R&D pipelines. It is highly likely that some pharma companies may adjust their manufacturing supply chains to build closer to the market on a "local for local" basis.
- However, supply chains for some drug ingredients, such as active pharmaceutical ingredients, are likely to remain intact.
- The impact of MFN pricing is yet to run its full course, but what is clear both in Europe and in the US is that there is continued pressure on the pricing of some drugs. The recent stand-off between pharma companies and the UK government over drug pricing in the UK, and the rebate schemes applied in the UK over the last few years, may further drive a focus on investing in countries which are able to assure favourable returns on the expensive drug development cycle.
- At the same time, there has been a boom in Chinese biotech innovation and the speed with which drugs reach Phase I in the drug cycle. A combination of government policy and substantial R&D investment means China is developing a pipeline of novel drugs at cheaper prices, particularly in oncology and cell therapy. Ultimately, this innovation may aid in reducing the overall drug development and R&D cost, but it is undoubtedly adding to the intensity of the competitive environment.
- Despite these pressures, there are some strong companies coming out of Europe and there continues to be a great deal of investor focus on rare diseases and the supporting pharma services. Other areas that are seeing interest include cardiometabolic diseases, while there is a lot of innovation going on in oncology and neuroscience continues to provide a rich pipeline. Immunology and inflammation, and particularly autoimmune disorders, also continue to see meaningful early-stage investment. A common theme was that European life sciences companies are looking to diversify portfolios as a means of derisking.

02.

Increased focus on collaboration and strategic alliances

- A drive for diversification has led to increasing licensing and collaboration deals across the life sciences sector.
- Innovation in life sciences often originates in biotech labs or academic spin-offs, which lack the capacity to bring products to market on their own.

- This structural gap has contributed to a growing trend whereby early-stage R&D is increasingly outsourced, with pharmaceutical companies turning to external partners to identify and develop promising assets.
- For investors, this evolving model highlights a dynamic ecosystem where biotech drives discovery and pharmaceutical companies scale innovation. Strategic alliances are now central to healthcare's future.

03.

Pharma services

- Some of these geopolitical issues that have been prevalent in 2025 have had a dampening impact on investment in pharma services, a sector which had seen sustained interest over the last few years.
- Despite this, we continue to see focus on niche areas, as well as consolidation in the use of pharma supply chains, with global players with local footprints well placed to deliver efficiencies for pharmaceutical customers.
- Given the constraints on budgets and the pace of Chinese innovation, biosimilars and generics are increasingly interesting to European investors, along with pharma services companies that service generics. There is particular appetite for those service providers with differentiated manufacturing and bring-to-market strategies.

04.

AI and consumer-driven tech

- A continued theme throughout the day was the rise of consumer healthcare, with growth in patients seeking wellness and consumer self-care products, including vitamins, gummies and diagnostics, mobile devices and high-street offerings.
- At the same time, panellists acknowledged that AI was likely to transform healthcare, with patients turning to digital tools to understand their conditions and manage their care.
- As to the question about the role of AI in drug discovery and transforming care, the discussions were optimistic, with panellists pointing to AI use cases in trial site identification and patient recruitment as obvious wins.
- However, there was caution that increasing regulation and lack of mechanisms for trusted data sharing and verifiable datasets may slow AI adoption in some sub-sectors.

"Innovation in life sciences often originates in biotech labs or academic spin-offs, which lack the capacity to bring products to market on their own."

05.

Healthcare services and the growth in outpatient care

- Outpatient care is an area of healthcare investment with continued positive drivers, with some panellists highlighting that the number of hospital beds has halved in some geographies over the last 50 years despite population growth.
- Growing use of outpatient surgery is seen across specialisms, most notably cataract surgery, with huge potentials savings for the healthcare system.
- Given the opportunities for savings, panellists were optimistic about private equity's role in helping deliver more affordable and efficient care in outpatient settings.
- Another important dynamic impacting European healthcare is staffing shortages, with Europe currently short of 1.2 million medical staff, almost 20 percent of the total.
- Value will be created with solutions that can address those workforce shortages, with opportunities for investment in emerging technologies like AI and robotisation to make systems more efficient.
- In a poll, 72 percent of those present at HPE Europe felt regulatory and reimbursement barriers were the biggest challenge to healthcare investment across Europe today, followed by talent and workforce shortages (18 percent).
- It was acknowledged that in recent years there has been a slowing in some health and care deals, but panellists noted that they expect a resurgence in investments in services in 2026, particularly in the hospital and care sectors. Some of this slowdown was attributable to adverse post-Covid factors like staff recruitment, but these factors have stabilised lately and there are plenty of good assets available across this space.

06.

Specialist care – an investment hotspot

- Specialist care was highlighted as an investment hotspot.
- Participants were overwhelmingly positive about specialist areas or single specialty providers, where businesses are able to show value and differentiation. Some 49 percent of the audience thought that businesses focused on women's health, AI and digital-based care and specialist mental health would shine in 2026. A further 29 percent favoured specialist providers in ophthalmology, fertility, orthopaedics and dermatology. >

"Private credit continues to offer a more flexible solution to borrowers and is expanding its product suite to offer financing tools like securitisation."

07.

Financing in the year ahead – capital, creativity and the cost of certainty

- Financing remains a defining feature of health and life sciences M&A and the acquisition markets more generally. With various names financed in the busy 2018 to 2021 period, many deals are due to be refinanced.
- As we move towards Q4, more deals are starting to come to market, though processes are generally taking longer as the bid-ask spread remains an issue.
- Private credit continues to offer a more flexible solution to borrowers and is expanding its product suite to offer financing tools like securitisation, equipment financing or royalty financing, for example. There is a growing focus on products that look to both cashflows and assets as collateral, and there is yield to be found in lending into complexity.
- For private credit funds, there is a pressure to deploy and a need to find opportunities, but the overriding consideration is credit quality.
- Lenders are focused on documentation, structuring, amortisation and the ability to be at the table early in the event of difficulties. Truly understanding creditworthiness often comes down to having deep sector knowledge.

08.

Financing flexibility – passing the portability

- With many sale processes still not attractive at the most desirable multiples, portability has become a particularly important theme.
- Borrowers are increasingly focused on whether debt packages can "travel" with a business in the event of a failed auction or broken sales process, with sponsors preferring to avoid double-paying on fees.
- Portability features have become a big feature of leveraged finance negotiations, while there is creativity around certainty, with the ability to commit to a deal ahead of everyone else increasingly a key differentiator.
- This is especially relevant in health and life sciences, where specialist platforms mean competitive dynamics can change quickly.
- For many who are less experienced with portability, attention will need to be paid to how things play out in practice. Terms must survive the test of time such that a buyer still has an effective financing 18 or 24 months down the line.

Despite some global uncertainties, the mood was overwhelmingly positive at this year's HPE Europe. Lamb concludes: "Our attendees were optimistic about 2025 but acknowledged that geopolitical factors had weighed on deals in the first part of the year. An over-arching feature was that the continued drivers behind health and life sciences investing remain strong and healthcare in Western economies remains attractive to LPs." ■

McDermott Will & Schulte

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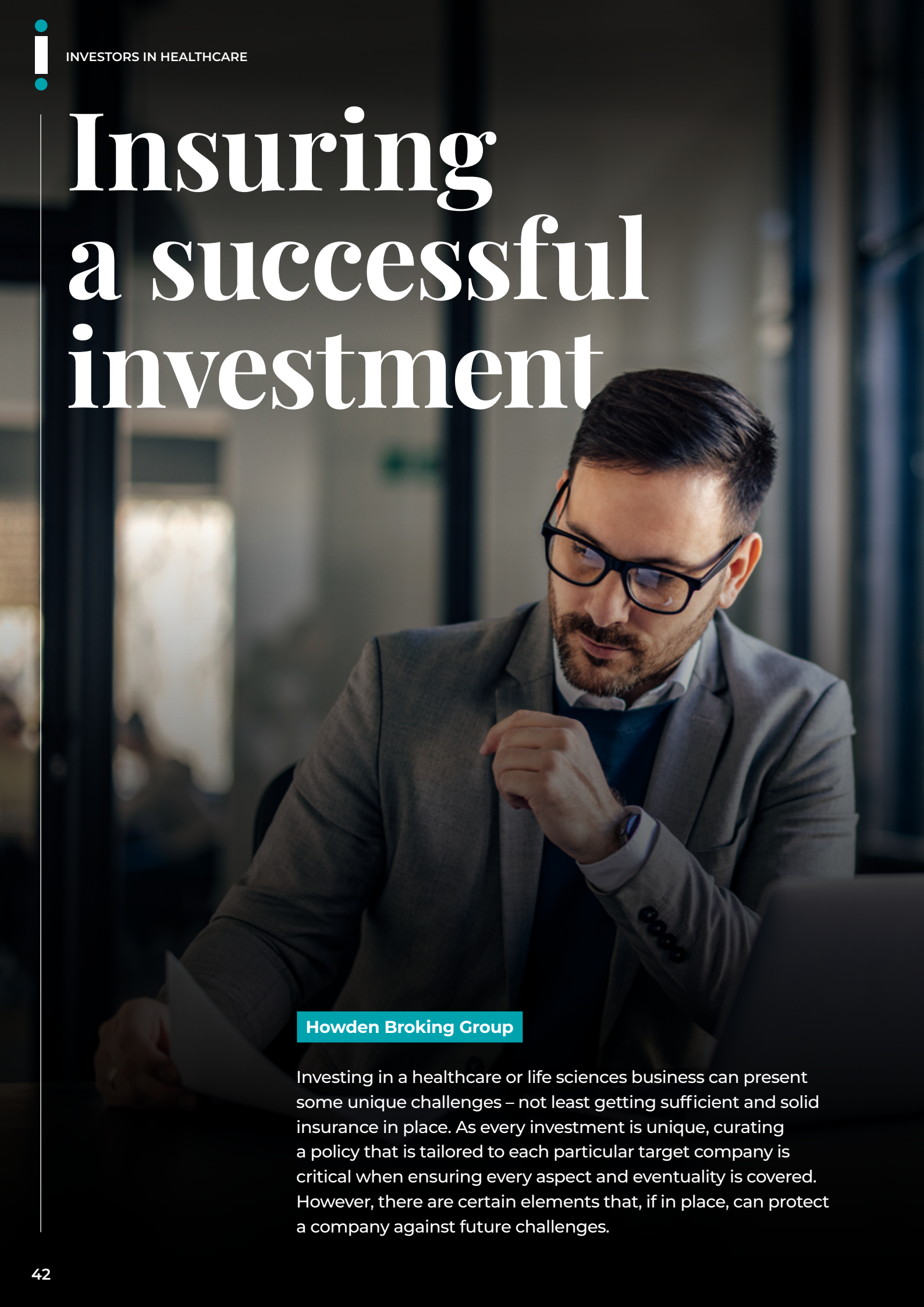
Insuring a successful investment



Howden Broking Group

Investing in a healthcare or life sciences business can present some unique challenges – not least getting sufficient and solid insurance in place. As every investment is unique, curating a policy that is tailored to each particular target company is critical when ensuring every aspect and eventuality is covered. However, there are certain elements that, if in place, can protect a company against future challenges.

Working with the regulator

If serious issues do arise with a healthcare or life sciences business, it is highly likely that the relevant regulatory authorities will become involved and, if necessary, an investigation will be carried out. It is critical that these companies work with the authorities to resolve any issues and foster a collaborative, rather than a challenging, relationship. Peter Wickham, divisional director for Howden Healthcare, said: "It is a good idea when carrying out due diligence ahead of investing in a company to examine what the healthcare or life sciences company's current and historic relationship has been with the relevant regulator. For example, the company could have a poor record or they might have had a serious incident in the past. By looking at the previous owner's inspection reports and past record with the appropriate authority, any potential issues can be flagged."

It is within the power of these authorities to temporarily shut down businesses while they address serious issues. For example, if an infectious disease was found within a healthcare setting, the authority would order it to close its doors immediately. The authority might give up to three months to rectify any issues, but the business cannot take any clients in during this time.

Peter Wickham explained: "This pause in trading is usually covered in the business interruption section of the policy, with the insurance usually covering around three-months if the company is not allowed to trade. Businesses can claim against it as long as it is an insured peril within the policy wording. Potential investors would need to consider that side of things to protect their income stream."

Dealing with reputational risk

The risk to reputation if serious issues are discovered, especially relating to patient safety, can be particularly damaging in the healthcare and life sciences sphere. If a company's reputation is impaired in anyway, it is liable to lose the rights to huge contracts. They are also likely to forfeit any financial backing that they have. Companies in this position will have to work with as many people as they can to try to undo the damage. Peter Wickham said: "In terms of insurance, some companies will hold policies that allow for around €115,000 to try to repair the damage. This sum should be used to inform people what has happened and what the company has done about it. However, once the damage has been done, regardless of what anyone says, it is very difficult for the company not to be associated with it. Reputational damage is an essential aspect to consider when carrying out due diligence into these types of businesses."

> *"Many private equity firms invest with the aim of growing a business in order to maximise their returns."*

Ensuring insurance does not block growth

Many private equity firms invest with the aim of growing a business in order to maximise their returns. But how can they ensure that they have sufficient cover to prevent insurance becoming a blocker to growth? For example, without adequate insurance, sales to the United States would not be permitted, there would be no cover for claims in the country, nor the ability to add US partners as additional insured parties. An insufficient limit could also mean that companies cannot sign contracts with new parties.

Any cover needs to keep up with an evolving business that will change every day. "It is something that constantly evolves and, therefore, should be constantly reviewed", Peter Wickham explained. "Organisations could be left exposed if they do not do this." For example, if a business buys a €10m aggregate limit across all its properties, and then has one claim that hits €8m, it will only have €2m left across all the company's estate. However, the level of cover needed is unique to each business, and this is where insurance brokers can help by reviewing the programme to determine whether the coverage is proportionate to the risk.

Sub-contractors

It is also essential to ensure there is adequate insurance to cover any sub-contractors, such as doctors, consultants and, in life sciences, academics. For example, when contracting clinicians to carry out a clinical trial, they must have their own cover. Peter Wickham said: "For life sciences, in my experience, eight out of ten times the consultant or clinician won't have their own cover. More than likely, they are uninsured for what they are doing. It is a huge area of no insurance or under insurance, and it is something that needs to be addressed."

Insurance across jurisdictions

It is imperative that companies adhere to local laws when operating in various countries across Europe. For example, a life sciences firm running a clinical trial would need to put a local policy in place in each of the countries it intends to operate in. Peter Wickham said: "A good example of this is one of our pharmaceutical clients, which has a world-wide global policy, but also has extra cover tailored to each particular jurisdiction it operates in. >

> *"There needs to be a policy to ensure that, wherever a company operates, it adheres to the local laws."*

"In addition, each country wants their insurance premium tax paid and the only way you can do this is by having a local policy. As shown by France having its Napoleonic Law and Sweden having its own non-fault system. There needs to be a policy to ensure that, wherever a company operates, it adheres to the local laws. It is a huge area that is not looked at by many brokers or companies."

Risk of cyberattacks

Putting adequate cover in place to guard against cyberattacks is essential for any business. During the investment process, both businesses involved can be particularly vulnerable as hackers seek to penetrate the IT systems of the larger organisation. The criminals could access confidential information, potentially jeopardising the transaction and, in the wrong hands, attract accusations of insider trading. It also presents hackers with the opportunity to get into the larger organisation, which is likely to have increased financial resources, making it an enticing target for these criminals.

Furthermore, the healthcare sector is one of the most targeted sectors by hackers. The European Commission counted 309 cybersecurity incidents in 2023 – more than in any other critical sector in the European Union. (**https://ec.europa.eu/commission/presscorner/detail/en/ip_25_262**) For healthcare and life sciences companies, a cyberattack can have particularly devastating consequences. For example, in June 2024, Synnovis, a partnership between two London-based NHS (National Health Service) hospital trusts and SYNLAB, was the victim of a ransomware cyberattack, affecting all of its IT systems and interrupting many of its pathology services. One year later, an NHS investigation found that the attack had contributed to the serious harm of a patient at one of the hospitals. **The Synnovis cyber-attack: A warning for healthcare providers | Howden**

A strategic response

To protect against hackers, it is essential that both parties have adequate protections in place to prevent an attack and cover in place if the hackers manage to infiltrate either parties' IT systems. Peter Wickham said: "Cyber policies tend to be more sophisticated than other types of insurance, and policyholders will have more available to them in the event of an attack, such as incident response teams, claims support and risk assessment tools. Affected businesses will need to consider whether to meet the hackers' demands. They will also need to decide whether to repair the impacted IT systems or to totally replace them. If choosing the former, it is unlikely that all the data will be recovered. Going down the replacement route would entail transferring all the data over to a brand-new system, but it would not be advisable to upload the information from the hacked system, so companies would need to request the data again, or ensure they have a back-up in place."

These are the questions that investors should be asking to determine what strategies are needed to avoid an attack, including carrying out a cyber risk assessment. Peter Wickham added: "While there is a large amount of awareness about the danger of cyberattacks within healthcare and life science businesses, investors should examine what plans are in place to take action in the event of an attack and to limit any damage to both patient safety and the business. For example, government contracts now ask to

sign contracts for unlimited liability in the event of a cyberattack, but many companies don't purchase cyber insurance. You need to be covered for existing contracts, as well as future deals that the acquired company hopes to win."

Insuring against intellectual property theft

For life science businesses, a cyberattack could expose the company to the theft of intellectual property. Despite this risk, Peter Wickham said that this type of theft is something that life science companies tend not to insure against, as it can be very expensive due to the potential costs arising from a claim, which could run into millions, and the length of time it could take to settle the matter. He said: "Even though some insurance brokers are reluctant to sell this type of cover, it is something that a potential buyer of a life science business should consider when carrying out their due diligence. Another aspect to consider is whether any patents have been insured. Patents are often excluded under many professional indemnity policies due to the significant costs associated with settling a claim involving one. However, often life science businesses believe that their insurance products do cover this."

Life science businesses that have progressed beyond the start-up level could also be subject to issues such as product recall if a drug or therapeutic treatment is considered harmful to the public. While this is a relatively rare event, the product recall level will usually be built into the insurance policy. For example, a Category A recall means that all products and treatments have to be returned, and the company is responsible for the costs.

Making sure coverage is watertight

Considering all these elements together when investing in a healthcare or life sciences business should help for a smoother transaction. Peter Wickham said: "The question I always get asked is at the end of the due diligence is 'how much is it to fix any issues that arise'. They can be fixed with the right resources behind them – and these issues should be addressed in order to make the transaction successful. Having tailored insurance cover can mitigate the risk of finding holes in the purchased cover. It also means that policy will be exactly what you need it to be and what you need it to look like.

"It is working with someone who understands the area, understands the policies, understands the company as far as they can. However, while a checklist does help, every policy wording is different, as is every investor, so you must treat each situation individually." ■

"Considering all these elements together when investing in a healthcare or life sciences business should help for a smoother transaction."

YOUR GUIDE TO COMPREHENSIVE COVER

1. **Ensure adequate insurance is in place to cover a cyberattack.**
2. **Life science businesses should consider insuring against intellectual or patent theft.**
3. **Foster a good, collaborative relationship with the relevant authority.**
4. **Consider the impact of business shutdown and reputational risk to the company.**
5. **Review your insurance regularly so it evolves with the business.**
6. **Check that any sub-contractors have appropriate insurance in place.**
7. **Secure local policies for each country the company operates in.**
8. **Evaluate the cover to ensure it is watertight, including tailoring it to the organisation.**

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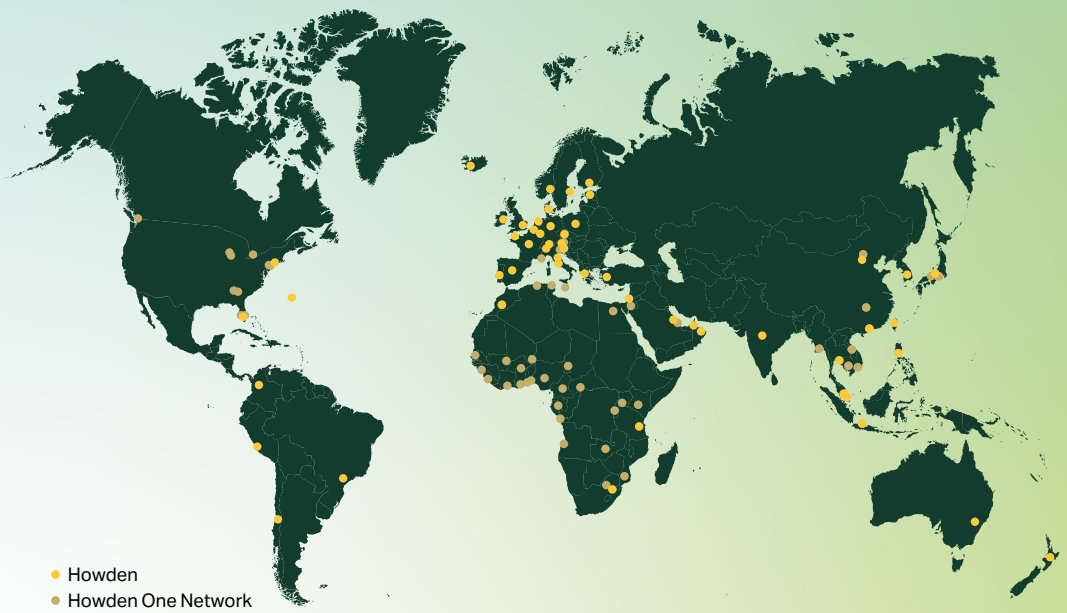

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MidEuropa's Optegra exit highlights accelerating growth in European ophthalmology

Nick Herbert, Editor, Investors in Healthcare

Swift Optegra turnaround shows how specialist healthcare platforms are drawing renewed strategic interest in a cautious M&A market

MidEuropa's sale of Optegra to EssilorLuxottica marks one of Europe's largest healthcare services exits of 2025 and a rare strategic buyout in a subdued M&A market. The transaction underscores how specialist platforms with scalable operations and strong management continue to attract premium valuations — particularly in ophthalmology, where consolidation is gathering momentum across the continent.

Private equity activity in ophthalmology is accelerating across Europe as investors look to professionalise fragmented care delivery and capture long-term demand from both ageing populations and lifestyle-driven procedures.

While consolidation has been most visible in dental and veterinary networks, ophthalmology — a similarly fragmented, specialist-led market, with nearly 70% of treatments still performed by independent providers — is increasingly attracting institutional capital.

One of the clearest examples is MidEuropa's investment in Optegra, the pan-European ophthalmology group that the Central and Eastern Europe-focused private equity firm acquired in 2022. MidEuropa bought a majority stake alongside existing investor H2 Equity Partners and management, and sold the business earlier this year to EssilorLuxottica. The transaction marked one of the few healthcare platform exits to a strategic buyer in 2025 and reflected both the pace of value creation under MidEuropa's ownership and the enduring strategic appeal of well-run specialist networks.

Eugeniu Prodan

Paweł Malicki

> *"We saw a platform already operating at a very high level"*

Identifying a specialist opportunity

When MidEuropa began exploring ophthalmology, it was leveraging a long track record in healthcare services.

"We have been successfully investing in healthcare services for more than a decade and were searching for new platforms to back," says Paweł Malicki, partner at MidEuropa.

Previous investments — including Lux Med in Poland and Regina Maria in Romania — had built expertise in integrated healthcare, spanning inpatient and outpatient care, diagnostics, and specialist services. That experience, including exposure to ophthalmology, gave the firm a strong understanding of how to serve patients, professionalise operations, and scale trusted brands in previously fragmented markets.

Over time, certain healthcare verticals began to stand out. "We saw specialised players starting to differentiate themselves," says Malicki. "Patients were seeking more professionalised, narrowly focused providers. That trend was clear in cardiology, diagnostics, imaging — and ophthalmology was one of those sectors." >

The appeal of ophthalmology was twofold: an ageing population driving clinical demand, and growing consumer interest in elective procedures such as vision correction. The combination of medical necessity and lifestyle choice made the sector both resilient and scalable.

Eye on Optegra

It was against this backdrop that MidEuropa identified Optegra as a compelling opportunity.

MidEuropa had been monitoring the sector for some time and tracking Optegra since 2020. "It was one of the niches we were looking into as a potential opportunity," says Paweł. "Once the Optegra opportunity arose, we tried to play a role and invest into this specialised player."

The firm stood out for several reasons. Founded in 2007, the company had already built a reputation for clinical excellence and operational rigour. Its footprint spanned the UK, Poland, the Czech Republic, and other European markets, combining private-pay and publicly funded services. This dual model — serving NHS patients alongside private vision-correction clients — was a crucial differentiator.

"As investors, we often see operators that are either focused on the public side or on private, consumer-led procedures," adds Eugeniu Prodan, principal at MidEuropa. "With Optegra, those two strands were married together very well. It had the DNA to serve both, and that gives diversification of funding and a much broader strategic appeal."

The management team under CEO Peter Byloos and the company's culture of excellence also impressed MidEuropa. "We saw a platform already operating at a very high level, with scope to scale across new geographies," Prodan adds.

Building scale

Like many healthcare services businesses, ophthalmology was — and remains — fragmented. But for MidEuropa, that fragmentation represented opportunity.

"It's a common theme for private equity to look into sectors where we can bring capital and experience to consolidate the market," Malicki explains.

Optegra offered precisely that foundation: a high-quality platform from which to expand through a combination of organic growth and acquisitions. MidEuropa's investment thesis centred on four levers — expanding volumes within existing facilities, developing new sites in underserved regions, improving operational efficiency through standardisation and technology, and pursuing cross-border M&A using Optegra's established model to professionalise new markets.

"It's a common theme for private equity to look into sectors where we can bring capital and experience"

Execution quickly exceeded expectations. "We had a plan for a five-year hold," says Malicki. "But the management team delivered in half that time. They executed all the growth levers in parallel, which was a real testament to their capability."

Operational excellence and technology

Standardised operations allowed Optegra to roll out new initiatives quickly. "Because of the standardised processes and operations, the team was able to implement paperless systems and industry-leading AI solutions that further improved both patient outcomes and efficiency," says Prodan.

The model proved highly scalable. Within 15 months of MidEuropa's acquisition, Optegra had entered Slovakia and later the Netherlands, rapidly consolidating the market and establishing itself as a clear leader.

Optegra's professional reputation made expansion easier. "When we entered Slovakia, local operators actually approached us wanting to join," Malicki recalls. "They saw the quality of the brand and wanted to be part of that story, rather than compete."

Rapid growth and financial performance

With operational upgrades, network expansion and disciplined M&A, Optegra's financial trajectory accelerated sharply. The business not

only grew revenues but significantly expanded margins.

"The foundations were scalable, so every new clinic or acquisition could be integrated quickly and profitably," says Prodan.

Importantly, cash generation improved alongside growth. "The business was expanding very fast, and its capacity to absorb M&A with limited external funding was improving all the time," Malicki says. "It became self-sustaining much faster than we had anticipated."

Victor Chua, senior partner at Mansfield Advisors, which worked with Optegra and its successive owners since 2019, says MidEuropa backed a genuine turnaround. "They achieved growth by expanding NHS cataract work, improving operations and digitalising patient pathways — all of which made the business much more efficient.

"That's the kind of performance that attracts strategics."

Exit dynamics

MidEuropa did not initially plan to exit so quickly. "We were approached repeatedly, even 12 months after acquisition," Malicki says. "The success story was visible in the market — people knew the performance was excellent and the growth was very fast."

Potential buyers included both sponsors and strategics, several of whom made unsolicited approaches. After two years, MidEuropa decided to engage selectively. "We granted access only to a handful of serious parties," Malicki says. "Ultimately, we found a strategic buyer who recognised the full potential of the business."

> *"We focus on building scalable, well-run businesses that can serve patients better while attracting strategic interest"*

That buyer was EssilorLuxottica, the global optical and eyewear group, which viewed Optegra as a natural fit with its broader ambitions in eye health. The sale underscored Optegra's strategic relevance.

"It's definitely one of the largest healthcare services deals in Europe this year — and rare in that it went to a strategic rather than a sponsor," says Chua. "The geographic footprint was a major draw, as investors increasingly prefer multi-country platforms where performance in one market doesn't sink the entire group."

Lessons learned

For MidEuropa, the Optegra experience reinforced the importance of combining sector insight, disciplined capital deployment and strong partnership with management. "The potential of the asset and the market can be objectively assessed," says Malicki. "But creating a plan without the right team is worth nothing."

The firm credits Optegra's leadership with executing an ambitious five-year plan in roughly two. "We were super lucky to cooperate with such a team," he adds. "This was an outstanding group of people who really owned the investment journey."

Prodan agrees that the outcome reflects a broader pattern in healthcare services investing. "We focus on building scalable, well-run businesses that can serve patients better while attracting strategic interest," he says. "Ophthalmology, with its mix of medical and consumer elements, will remain an interesting space — but what really matters is the operational foundation and the people who can execute."

A model for future healthcare consolidation

MidEuropa's exit from Optegra illustrates how private equity can accelerate growth in specialist healthcare services when the ingredients align: clear market trends, a strong operational base and management capable of rapid execution.

For investors, the deal also shows that strategic buyers remain active and willing to pay for quality platforms even in a slower exit environment. And for MidEuropa — whose healthcare track record spans multiple European markets and verticals — the transaction reaffirms a core principle: value creation in healthcare comes not from financial engineering but from professionalising care delivery at scale.

As Chua notes, "As long as there's a good asset with strong management and credible growth prospects, there will always be buyers." ■

What healthcare assets are fundamental infrastructure

Why your next investor may have more experience in bridges and airports than patients

Infrastructure funds have significant capital to deploy, but a dwindling supply of traditional assets available to target. We explore what healthcare targets, including long-term care, is suitable for 'infra-like' investment in the current environment of a pandemic turning endemic, a major war in Eastern Europe and the return of the inflation bogeyman. The pandemic has thrust healthcare into the spotlight, and highlighted how robust and resilient the sector can be when growth in sectors like retail or travel faltered or there was suddenly no income at all.

Infrastructure investment has normally comprised two segments: economic and social. 'Economic' contains the core you might visualise as traditional infrastructure: transport (roads, bridges, ports and airports), energy, utilities, telecommunication and more recently, digital and cloud services. These fundamental assets are the foundation of a strong economy. These are essential services, with low risk and no real alternatives that offer strong, predictable cash flows into the long-term future. Pension funds are the typical investor example, where liabilities extend out decades into the future.

Core investments typically have effectively monopolies as they fully meet the need of the area and there's no need for a further toll road or a power station. It would not make economic sense to build a competing asset, and there would not be backing from authorities to do so.

However, too much capital chasing these safe investments has sent prices up and encouraged fund managers to look to alternatives for their core returns, joining that smaller percentage already set-aside for higher risk/return assets.

Infra-like investments

The social segment comprises services and facilities that contribute to a good quality of life, including healthcare but also housing, education, culture and recreation. There is an estimated social infrastructure funding gap in Europe of between €100bn and €150bn annually[1][2].

Recently acute hospitals have been the busiest sector, see **Exhibit 1**, with specialist care seeing a number of deals. Infrastructure investors have also started to look at children's services (special schools often with a residential element) and elderly care homes, with their property portfolios mitigating against execution risk and market growth. Mental health hospitals would also be there, but provider pricing power has been less predictable than those segments. Otherwise investors seek to own and manage the capital equipment needed in adjacent sectors such as clinical laboratories, mobile operating theatres or diagnostic imaging MRI or CT suites.

Traditional healthcare infrastructure investments would also have been in assets such as large hospitals, as part of public-private partnerships or what the UK called private finance initiatives. Once developed, these assets are then rented to national >

Exhibit 1: Infrastructure investments in healthcare. Hospitals were first, then specialist care which demonstrated its predictability through the Covid pandemic

TYPE	INVESTOR	INVESTOR LOCATION	ASSET	LOCATION	DATE
ACUTE HOSPITALS	Franklin Templeton	UK	Healthcare centre (Brighton)	UK	Jul 19
			Medical clinic (London)	UK	Jan 19
	InfraVia Capital	France	Mater Private Hospital	Ireland	Jul 18
	Macquarie	Australia	Viamed Salud	Spain	Oct 20
			Beacon	Ireland	Feb 24
			Luz Saude	Portugal	Sep 25
	Meridiam	France	Four public hospitals	Spain	Nov 20
			Felix Bulnes Hospital	Chile	Apr 20
			Bursa Healthcare Campus	Turkey	Jun 19
			Elazig Healthcare Campus	Turkey	Jul 18
			Adana Hospital	Turkey	Sep 17
			Yozgat Hospital	Turkey	Jan 17
	QIC	Australia	Evolution Healthcare	New Zealand	Dec 21
			Nexus Hospitals	Australia	Dec 19
	Wren House Infrastructure	UK	Almaviva Sante	France	Jul 21
ADULT SPECIALIST CARE*	InfraBridge	Australia	Achieve together (a merger of Care Management Group and Regard)	UK	Dec 18 & Dec 17
	Ancala	UK	Iris Care Group (Holmleigh combined with Ludlow Street Healthcare)	UK	Apr 20
	iCON Infrastructure	UK	Nua	Ireland	Jan 20
			Choice Care Group	UK	Oct 18
	Wren House Infrastructure	UK	Voyage Care	UK	Jan 22
CHILDREN'S SERVICES	Blandford Capital Antin Infrastructure Partners	France	Hesley Group	UK	Feb 18
			Kisimul	UK	Jul 17
CLINICAL LABS	Omers Infrastructure, Goldman Sachs and AXA IM	Canada, USA and France	Amedes	Germany	Jul 21
DIAGNOSTICS & CANCER CARE	DWS	Germany	RadioOnkologieNetzwerk (now Ergea)	Germany	Nov 21
			Medipass (now Ergea)	UK and Italy	Aug 20
	EQT	Sweden	Meine Radiologie and Blikk	Germany	Jul 21
ELDERLY CARE	EQT	Sweden	Colisee	France	Aug 20
	Franklin Templeton	UK	Two care homes (London)	UK	Jul 19
	I Squared Capital	USA	Romergarten (bolt on to Domidep)	Germany	Nov 20
			Domidep	France	Oct 19
	InfraVia Capital	France	Carechoice	Ireland	May 17
MOBILE OPERATING THEATRES	iCON Infrastructure	UK	Vanguard Health	UK	Jan 21

*predominantly learning disabilities; Note: REITs have been excluded, Source: Infrastructure Investor, Mansfield

> *Given the global uncertainty and rising inflation, healthcare is a safe option seen as an inflation hedge and has the added benefit of diversifying infrastructure funds' portfolios."*

operators such as the NHS. This funding method has become less popular in Europe, and represents smaller investment sizes compared to most economic infrastructure investments. The most well-known example were the private finance initiatives from the nineties into the noughties, used in the UK for £13bn in new hospitals[3].

The rationale was that construction companies would build for a set price (and be accountable to their shareholders for delivering the asset on budget and in-time) and then would lease the building to the state for 30 years. Cynics argued that the state (or the UK Government in power) avoided the debt on the balance sheet but had to pay private sector interest rates for 30 years, and therefore far more in total than if construction had been funded directly by the state. The proponents would argue that without the risk being held by the construction companies, and if they were able to charge cost-plus, the original cost estimate would have always substantially exceeded and the net present value of the cost equal or greater to the taxpayer. From academic research, we can see that investors made an attractive return on capital, which we define as greater than the investors' cost-of-capital as calculated by those same academics. Outside some poorly negotiated early projects, we surmise the PFI hospital building program was a reasonable deal for taxpayers along with being a good opportunity for investors. Though to be sure we would need more insight into the counter-factual world where PFI had not existed, based on international or historical examples. This is only theoretical since there isn't any apparent interest in such projects from the current UK Government. It doesn't help that modern accounting standards (IFRS 16 to be precise) mandate that long leases be capitalised, though of course this isn't the only factor.

Infra-like, also known as infra-adjacent or core+ investments, have a higher risk profile than traditional infrastructure investments. They must still be deemed 'essential', however the definition has stretched to include the operating businesses along with the physical environment and its rent.

Healthcare as infra-like

Health and social (long term) care have a good story to tell the investment committee, since we are not getting any younger and until very recently at least, we were living longer with ever-growing entitlements to healthcare. Demand for healthcare is inelastic; treatments will be required regardless of economic outlook and developed countries prioritise healthcare spending.

Other sectors like care homes and retirement villages are property backed. Be warned that much UK elderly care stock is very dated and may not be suitable for a long investment period of ~20-30 years.

However there are plenty of high quality, future-proof properties, and these will remain so if maintained. Elderly care homes' local authority and NHS payors do not default.

One Octopus Group healthcare infrastructure survey found that 60% of global healthcare infrastructure investors are focused primarily on the UK (n=100)[4].

Traditional infrastructure investments provide a rate of return between 8-15%. Infra-like investments possess an increased risk-profile, and therefore investors demand an increased reward. Healthcare assets can achieve much higher rates of return in the realm of 20%, as targeted by private equity, however the long term goals differ.

The yields required by PE are 20%+ over a shorter investment period. The priorities of PE are to maximise the exit multiple over a 3-5 year investment period, and as such invest profits into growing businesses rapidly.

Infrastructure investments have a longer term outlook of ~10 years, but have a focus on achieving strong cash yields over that period to receive dividends payments. There is a focus on value creation over the long-term, often driven organically, which supports creating processes for maintaining high quality environments to achieve this. This long-term position, with fewer changes of ownership, can be seen as more attractive to management and other business stakeholders.

Healthcare drawbacks

There are of course some drawbacks to healthcare investment for infrastructure investors. Infrastructure investors have typically avoided taking on operational and reputational risk, and healthcare is seen as a sector which can pose both.

Operational risk can be mitigated against by choice of model. Traditionally UK private hospitals tried to offer a model which minimises clinical risk exposure; the hospital provides the physical site, equipment and

SECTOR		ESSENTIAL SERVICE	GROWTH IN NEED	PAYOR PREDICTABILITY	PHYSICAL ASSETS	LOCAL BARRIERS TO ENTRY	STRONG PRECEDENT FOR INFRASTRUCTURE INVESTMENT
SOCIAL CARE	ELDERLY CARE	●	●	◗	◗	◗	✓
	ADULT SPECIALIST CARE	●	◣	●	●	◣	✓
	MENTAL HEALTH HOSPITALS	●	◗	●	◗	●	✗
	CHILDREN'S CARE	◗	◕	●	●	●	✓
	FOSTERING	◗	◕	●	○	◣	✗
ACUTE HOSPITALS		●	●	●	◗	●	✓✓
DIAGNOSTIC IMAGING		◗	●	●	●	◣	✓
SPECIALIST CLINICS		◗	●	●	●	◗	✓
DOCTORS' PRACTICES		◗	●	●	◗	●	✗
PHARMACEUTICAL MANUFACTURERS		◣	●	◗	●	●	✗
CLINICAL LABS		◣	●	●	●	●	✓
FERTILITY		◣	●	●	◣	●	✗
DENTISTRY		◗	◗	◗	◗	●	✗

nursing staff, while patients paid surgeons separately for the procedure. This is no longer the case, as providers such as Spire Healthcare spend substantially more on clinical governance than they did a decade ago in order to lessen reliance on the clinical direction of external surgeons. They have found that necessary to maintain their public reputation, inspection ratings and avoid legal risks. Of course, the major PFI deals in state hospitals had no such clinical exposure risk, and neither should propco only investors in UK private hospitals.

In other segments, it can be safer for investors to invest directly in operators and retain direct control over service quality and avoid defensive capex falling between the opco and propco's responsibilities.

Reputational risk is present through healthcare, but once again being selective in the quality of acquisitions can minimise this exposure. Indeed, many argue that core infrastructure investments offer similarly high levels of reputational risk as faults or failures can affect the public. Unfortunately, bridges and other concrete structures can fail and smart motorways may not that be that smart reputationally.

The rewards offered by the long-term macro trends and value creation opportunities in healthcare should warrant the performance risk.

↑ **Exhibit 2:** UK sectors prioritised - Mental health and elderly care are next closest to being essential and infra-like but no big block pfi-like contracts are available.

Future trends

Long-term tail winds for healthcare, and value creation opportunities are sufficient mitigants against the risks posed by the sector. Coupled with limited core opportunities, infrastructure interest in healthcare is continuing to rise. Given the global uncertainty and rising inflation, healthcare is a safe option seen as an inflation hedge and has the added benefit of diversifying infrastructure funds' portfolios.

Over the past 15 years, digital has emerged as a leading sector for infrastructure investment, who's to say healthcare can't follow? That Octopus Group research argued that $200bn could be invested in global healthcare infrastructure over the next five years[4].

Our analysis of factors by segment - see **Exhibit 2** - helps explain why investors have prioritised different segments when aspiring for infra-like returns. Looking outside the almost traditional segments of hospitals and specialist care – and now that the Covid catastrophe has passed by – we expect more interest in the absolute highest quality mental health and elderly care assets. ■

1 Georg Inderst, Inderst Advisory, Social Infrastructure Finance and Institutional Investors, A Global Perspective, March 2020
2 Boosting Investment in Social Infrastructure, European Commission, January 2018
3 IPPR, September 2019
4 Healthcare Infrastructure Report, Octopus Group, 2020

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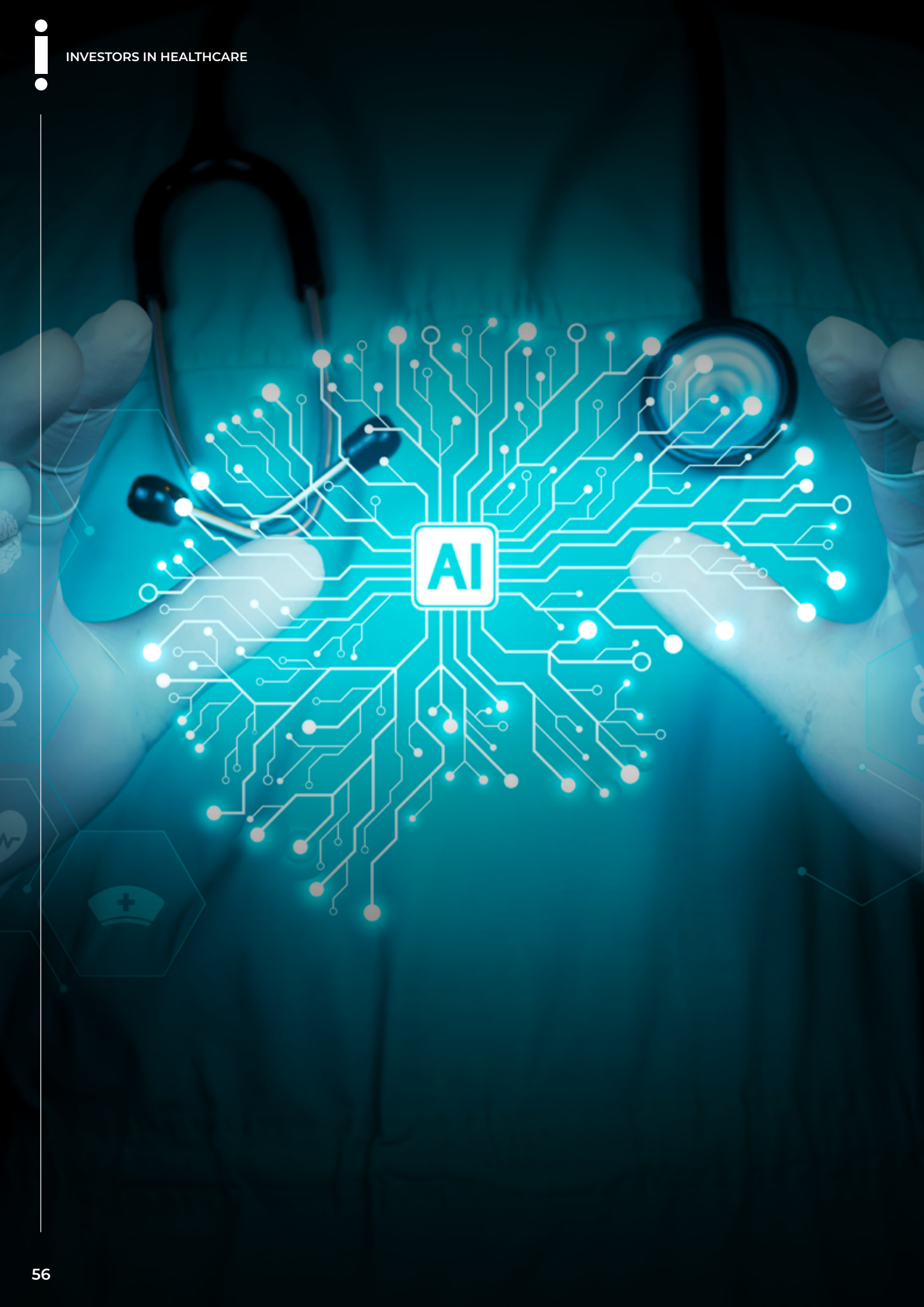

AI

AI, healthcare and private equity:

Moving from pilots to value creation

RSM UK

For private equity houses, AI is not only redefining the ways teams analyse investments, manage portfolios and create value. It has also become an important factor in whether to invest in a company or not. In the UK's healthcare sector, AI holds the potential for improving patient outcomes and improving operational efficiency. To generate superior returns, private equity (PE) houses need to understand the AI strategies of potential investments as well as how the technology can be used as a value creation tool across their portfolios.

AI is a powerful transformation tool because its capabilities can be applied in a wide variety of ways across almost every sector. Whether being used to automate repetitive tasks, analyse data at scale or improve decision-making, the technology can be tailored to meet individual and team needs. Add in its capacity for learning, adaptation and personalisation and it's clear to see why almost every company is scrambling to integrate it into their workflows.

But the reality of AI implementation has proven more complicated. Across the European healthcare sector, the picture is patchy. Some companies have yet to make a start at all, while other organisations have active pilots and success stories. In both the public and private sector, there are some good use cases with clear benefits emerging – but these are yet to all be fully scaled. Despite all the noise and hype, a 2025 survey found that 73% of UK healthcare professionals reported never using AI at work.

This means there is huge potential to increase AI implementation across the healthcare space. The result could be not only better patient outcomes, but faster value creation for PE houses too. The winners will be the ones that can integrate AI into repeatable, defensible and commercially scalable business models.

The focus now shifts from technical feasibility to commercial scalability. The central question for investors is no longer can these technologies work, but how do they reshape business models, margins and value creation? >

Transforming healthcare provision with AI

The European healthcare sector is facing a number of challenges, all of which impact its ability to provide effective long-term care to an ageing population.

In the UK the NHS is projected to face a workforce shortfall of between 260,000 and 360,000 by 2036/37. In the EU, this shortfall is expected to reach 4.1 million by 2030. According to the OECD, overcoming this issue requires improving working conditions and remuneration as well as increased training and harnessing AI to "augment health worker productivity and enable them to focus more on patient care." This shortage of available workers means that capacity cannot be solved with hiring alone, the healthcare ecosystem needs to learn to 'do more with less' and drive productivity improvements. Automation and decision support must also be used to unlock clinician time.

At the same time, reimbursement is shifting towards value, with commissioners and payers rewarding measurable improvements in access, outcomes and experience rather than activity alone. Regulations including the EU AI Act and UK SaMD reforms are creating new standards for safety, transparency and post-market monitoring. These create a clearer path for compliant deployment of AI systems, reducing uncertainty for investors. The last two decades have also seen an explosion in the availability of data. From EHRs to imaging, genomics and consumer wearables, this sea of data has now reached a scale that makes AI commercially viable. Utilising it creates challenges as well as huge opportunities for those that can use it to offer more predictive and outcome-based care.

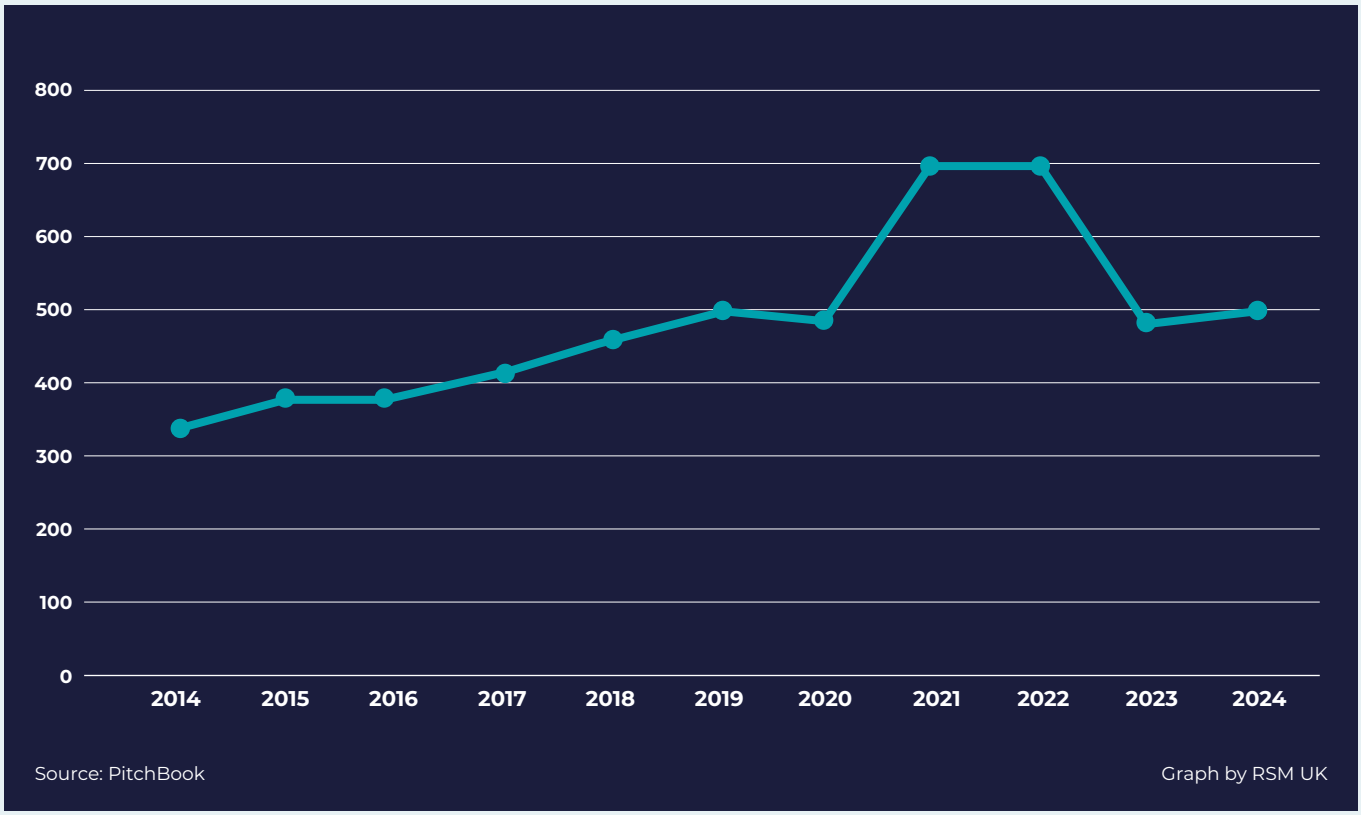
Understanding these opportunities will be an important differentiator over the next few years. The leaders that emerge will be the ones that best augment human expertise with AI-enabled data analysis and automation. There are a number of core areas where this approach is producing significant benefits for both patients and investors.

Creating recurring revenue streams

Driving true improvements in our healthcare systems requires a shift to more proactive health management. AI-enabled risk assessment, based on continuous monitoring from wearables or home devices can shift the healthcare model from episodic encounters to a more subscription-like relationship.

Tailored wellness or condition-management programmes create regular touchpoints, higher adherence and lower dropout. By tracking people's health over time, orchestrating timely interventions and keeping patients within a coherent digital ecosystem, healthcare providers

FIGURE 1
Deal number



Source: PitchBook

Graph by RSM UK

"The European healthcare sector is facing a number of challenges, all of which impact its ability to provide effective long-term care to an ageing population."

could unlock long-term recurring revenue. Investors are therefore prioritising platforms with longitudinal data capture and patient engagement ecosystems, not point solutions. Data ownership also translates into defensibility and potential secondary monetisation.

Driving operational efficiencies

Like other sectors, AI's clearest use case in healthcare is operational efficiency:

- Back-office automation of claims status checks, prior-authorisation prep, coding support, compliance reporting and referral management helps to cut admin load.
- Predictive analytics for demand forecasting, theatre/clinic rostering and no-show prediction helps smooth throughput and protect revenue.
- Workflow optimisation around documentation, triage and decision support gives clinical minutes back to patient care.

The value story here isn't just cost-cutting, it's margin stabilisation. Fewer failed visits, better utilisation, safer escalation and more reliable capacity planning supports enterprise valuation even in choppy markets.

Moving towards more outcome-based care

AI can flag rising-risk patients early, personalise care pathways, power closed-loop remote monitoring and orchestrate operations so the right clinician and resources are in place. All of which enables earlier, more precise interventions that improve lives and optimise limited clinician time. Being able to prove results in this area such as reduced readmissions or shorter time to diagnosis will help unlock value-based payments and premium pricing.

These factors have contributed to a sustained increase in European private equity investment within healthcare companies, with a minor interruption observed during the post-pandemic surge in 2021 and 2022.

Risk factors: the reality check

AI in healthcare continues to attract capital, but investors should avoid being swept up in the hype. Many solutions show promise in trials but struggle to integrate into daily clinical workflows, delaying commercialisation. Without seamless integration even the most elegant algorithm risks gathering dust.

Reimbursement is another stumbling block. AI tools may be clinically valuable, but without clear billing codes, providers lack financial incentives to adopt them at scale. For investors, that translates into barriers to monetisation.

Regulation also adds complexity as an AI platform approved in one territory rarely receives automatic clearance in others. This forces companies to repeat validation exercises jurisdiction by jurisdiction – slowing expansion and extending holding periods.

Then there is the data itself. Algorithms trained on biased or narrow datasets can quickly lose credibility with clinicians and regulators alike, an especially damaging risk in a sector where trust underpins enterprise value.

For PE, it is clear that due diligence must go beyond technical promise. The winners will be those with realistic pathways through reimbursement, proven scalability in day-to-day use and regulatory strategies built for a global market. >

Evaluating potential targets' AI strategies

One of the defining challenges for PE investors in European healthcare and life sciences is the constrained exit environment. After several years of buoyant activity, the sector is now characterised by lower liquidity, longer hold periods and delayed IPO or strategic buyer interest.

In this context investors cannot afford to invest in AI that's all promise and no delivery. Thorough diligence on how a target uses AI helps separate marketing from measurable impact, price risk accurately and back businesses that will have a long-term, positive impact on society. Here are some essentials to look out for:

Strategy and scope

Is there a clear strategy for where AI can be used to impact the patient journey in access, adherence and outcomes? Is the focus on back-office savings or is there an ambition to use AI to enable better pathways, faster diagnostics and higher retention?

How embedded is AI?

Ease of use is a huge part of AI adoption – especially for time-poor healthcare professionals. AI should be embedded in EHR/PAS/RIS, not separate apps that add more complexity.

Evidence and measurement

Ideally investors want to see results that move beyond a single pilot to show multi-site performance on priority metrics such as no-show rates, first-pass claims yield, average time-to-report and readmissions.

Governance

Are the business and organisation risks understood, and who owns AI risk across clinical safety, data protection and model updates? At a minimum it is critical to make sure data rights for collection, training and re-use are unambiguous and contractually sound.

Culture and capability

Who is going to drive change within the organisation? How clinicians and managers are engaged through training, incentives and champions will have a huge impact on adoption rates.

Understanding the risks (and how to manage them)

The rush to adopt AI as quickly as possible does create risks. Some of these are AI-specific risks such as bias, hallucinations and limited explainability. These can be managed through effective auditing (pre-deployment testing, bias checks by cohort, drift monitoring, incident logs) and process design that places human

FIGURE 2
Holding periods

Source: The State of European Private Equity, Gain.pro

Graph by RSM UK

> *"After several years of buoyant activity, the sector is now characterised by lower liquidity, longer hold periods and delayed IPO or strategic buyer interest."*

oversight throughout the process. AI can help human experts make decisions – it should not have the power to make those decisions itself.

Governance is the biggest gap. Organisations risk applying AI haphazardly without central visibility, oversight or ownership. After several years of buoyant activity, the sector is now characterised by lower liquidity, longer hold periods and delayed IPO or strategic buyer interest. Many healthcare organisations still have fragmented systems that don't talk to each other. In these scenarios starting small, testing in a safe environment and plugging into core systems one workflow at a time is the best strategy. Payment rules also vary by region and results that work in one site may not translate to others. It is important to see relevant evidence and plans to show the same outcomes across different locations and patient groups.

AI as a value creation tool for private equity

Longer hold periods in European healthcare are driving the creation of a new playbook for PE. The old three-to-five-year cycle is now six to eight years and PE houses can no longer rely on multiple expansion alone. Instead, value creation is increasingly operational: using technology to improve portfolio company performance, reduce costs and strengthen commercial positioning during extended hold periods.

Balancing operational efficiency and commercial growth

PE owners are embedding AI tools in portfolio companies to tackle workforce shortages, optimise resource allocation and improve billing and claims accuracy. However, AI is much more than a cost-saving tool, it can help grow the top line too. Patient-engagement tools and CRM platforms can segment patients, predict churn and guide cross-selling, as well as being deployed to enhance patient lead conversion and retention. Over a longer hold, these micro-improvements compound, leading to stronger revenue and higher returns.

Building defensible and scalable strategies

With new regulations like the EU AI Act coming into effect, 'compliance by design' is now a key differentiator. Targets that show clear use cases, robust monitoring and clean data rights will sell faster and at higher multiples. The most valuable platforms build unique, proprietary datasets that power specialist AI models. PE is increasingly looking at health data not only as an operational resource but as a monetisable asset. Curated longitudinal datasets are being packaged into partnerships with pharma and insurers, opening up incremental revenue lines during ownership.

Making AI a fund-level capability

Large PE houses are centralising AI to support deal sourcing, due diligence and portfolio delivery. Mid-market firms should do the same. This allows investors to scan deal flow, benchmark performance across all holdings and flag underperformance early. A shared toolkit prevents each company from reinventing the wheel, helping to keep costs down across the portfolio.

With exits constrained, AI helps investors monitor performance, unlock capacity and build a narrative that buyers will pay for: better outcomes, stronger operations and compliant tech. This not only helps funds survive a slow market but also earns an exit premium.

In an environment where liquidity is scarce, PE houses cannot rely on market timing. They must manufacture value through technology adoption, making AI both a defensive tool (cost control, compliance) and an offensive one (growth, monetisation, differentiation).

AI is no longer optional

AI and emerging technologies have shifted from being optional innovations to fundamental drivers of business transformation within healthcare and life sciences. Their capabilities can accelerate the trend towards the more preventative and outcome-based care that is needed to drive the sector forwards. The clear value levers of personalisation, prevention and efficiency can be deployed across the full patient life cycle, from risk prediction to recovery.

In a constrained private-capital market with longer hold periods, PE is looking for new ways to create and scale value. In this environment, AI is not just a sectoral theme but a core PE tool. The winners will be the investors who back technologically sophisticated companies that are integrating AI into repeatable, defensible and commercially scalable business models. In doing so, they can manufacture exit-ready assets even in a sluggish market. ■

Investor Members

Note: A small number of members have requested that their membership is not made public and therefore they are not represented here.

Our Strategic Partners

European Healthcare Investor Association is partnered with leading advisors in strategy consulting, law, real estate, investment banking, political & regulatory, executive recruitment, accounting and insurance. Our partners are a key source of market insights for members and co-host many of our events.

L.E.K. Consulting is a global strategy consultancy with a dedicated Healthcare and Life Sciences practice. We partner with European investors and operators across provider services, medtech, biopharma and digital health to unlock growth and value. Our work spans origination, commercial and vendor due diligence, value-creation planning (pricing, network and capacity, digital), buy-and-build and integration through to exit readiness. We combine sector expertise with proprietary research and on-the-ground European insight to deliver clear, investable answers - fast.

lek.com

J.P. Morgan is a leader in investment banking, commercial banking, financial transaction processing and asset management. We serve millions of customers, predominantly in the U.S., and many of the world's most prominent corporate, institutional and government clients globally. Through continued investments, business initiatives and philanthropic commitments, we aim to help our employees, customers, clients and communities grow and thrive.

jpmorgan.com/healthcare

McDermott Will & Schulte's internationally recognized healthcare and life sciences practice addresses the critical legal and business needs of leading industry players. You can turn to us to drive innovative deals and navigate high-stakes disputes, enforcement risks, and complex regulatory issues. Our global team leverages deep market intelligence and decades of experience representing clients across all subsectors, including health systems and other providers, payors, private equity and other investors, major healthcare and life sciences companies, health technology developers, and new market entrants. Serving as a convener, we foster meaningful partnerships and thought leadership through our premier conferences. You also benefit from our exclusive affiliation with healthcare policy and advocacy firm McDermott+, which helps you navigate legislative and regulatory obstacles to maintain competitive advantage.

mwe.com

The Marwood Group is a healthcare-focused advisory and consulting firm headquartered in New York City with offices in Washington, D.C. and London. With a deep understanding of the influence policy, politics and market dynamics have on reimbursement, regulation, and business performance, Marwood Group supports their client's investment decisions in assets across Europe and the United States. Marwood provides investors and operators with policy, regulatory, funding and reimbursement analysis, assessing the risk and opportunities that result from government action on the national or local level. A multi-lingual European team brings years of relevant healthcare expertise to every engagement.

marwoodgroup.com

Compass Carter Osborne delivers exceptional C-suite and executive leadership talent to the investor backed global healthcare and life sciences sectors. From traditional equity and VC funding through to REITs and infrastructure entrants, CCO is trusted by the investment community to facilitate the placements of elite talent, and have a substantive track record across funding cycles supporting more than 200 leadership hires in the last two years. CCO is recognised as the most knowledgeable, experienced, and well-networked executive search and advisory services firms in its specialist niche, most recently awarded search firm of the year at the HealthInvestor awards.

compasscarterosborne.com

RSM Ebner Stolz is the leading multidisciplinary mid-market advisory and audit firm in Germany. They work closely with their clients to gain a thorough understanding of their business and provide customized solutions. Their teams of experts help clients manage transformational measures, navigate the complex regulatory landscape and promote sustainable growth. Healthcare, Pharma and MedTech represent key sectors and the advisory practice in transactions and corporate finance has grown substantially over the past years. They have deep expertise both of the deals environment as well as recent regulatory and commercial market trends with which they navigate clients through a fast-paced and dynamic healthcare and medical industry environment.

ebnerstolz.de/en

Howden is a global insurance group, home to over 20,000 talented experts across more than 50 countries. They provide insurance and risk management solutions across dedicated Private Equity and Healthcare divisions, bringing deep sector expertise and tailored solutions to the complex risk environments you work in. Whatever insurance or risk management needs you're looking for, Howden can get the right people in the room to create the right solution for you. Howden's people are their greatest strength – and largest shareholder group. This unique employee ownership model drives Howden's culture, fuels their client-first approach, and underpins sustained growth. Together Howden work to change the insurance narrative – supporting clients while using insurance as a tool to increase resilience for individuals, businesses and communities.

howdengroup.com

Virgin Money, formerly Clydesdale and Yorkshire Bank, has 6.6m retail and business customers across the UK, bringing the best of the Virgin brand to make banking better and enable customers to achieve their financial goals. As part of the Nationwide Building Society since October 2024, Virgin Money is a purpose-led organisation offering a range of straightforward, award-winning products including current accounts, credit cards, savings, investments, mortgages, pensions, loans and more.

The long established and highly regarded business bank offers a broad range of lending solutions and has a focus on specialist sector relationship expertise in key 'needs' sectors including health and social care and its related real estate. An inclusive and ambitious culture encourages c.7,000 FTE colleagues to work in a healthy, flexible, digitally-led environment.

uk.virginmoney.com/business/health-and-social-care

In the Diary

Healthcare investing has a regular annual rhythm of events. Depending on your market or sub-market of interest, there are a number of conferences and trade shows that any investor, advisor or company should attend.

EHIA offers significant discounts to many of these events for our members. A full calendar of relevant events is published on our official journal **Investors in Healthcare**.

Key Annual Events

January	**J.P. Morgan Healthcare Conference** San Francisco
February	**Investors in Healthcare Real Assets Conference** London
June	**Investors in Healthcare Private Capital Conference** London
	SuperReturn International Berlin
September	**HPE Europe** London
October	**CPHI** Frankfurt/Milan/Barcelona
November	**Jefferies Healthcare Conference** London
	Medica Dűsseldorf

Event Roundup

European Healthcare Investor Association provides its members with invitations to exclusive investing in healthcare conferences, dinners, and drinks receptions. We are continually enhancing our portfolio of networking events.

Over the past 12 months, we have hosted a range of events that were very well attended and generated exceptional feedback for the quality of the content, and the excellent peer-to-peer networking opportunity. Additionally, we represented EHIA at a number of industry events including HPE Europe, JP Morgan Conference, Jefferies Conference, CPHI, Medica, and LSX World Congress. These events were located in wide ranging locations including London, San Francisco, Paris, Frankfurt and Dusseldorf.

Celebrating Women in Healthcare Investing. Paris. October 2025

The European Healthcare Investor Association, together with Latham & Watkins and Level 20 hosted the 3rd edition of our **Celebrating Women in Healthcare Investing** Networking evening, providing an occasion for professionals across the scope of **healthcare investing** to network, and discuss the market and opportunities.

Investors in Healthcare Private Capital Conference. London. June 2025

Investors in Healthcare in association with the **European Healthcare Investor Association** hosted a carefully curated conference providing a deep dive into where investors are allocating capital in the next 12-18 months. Partnering with **Rothschild & Co, Boston Consulting Group (BCG), Aon, Marwood Group, Compass Carter Osborne** and **McDermott Will & Emery**, the conference brought together 220 CEOs and investors around Life Sciences & Pharma and Healthcare Services.

Investors in Healthcare Drinks. San Francisco. January 2025

during J.P. Morgan Healthcare Conference

Healthcare Investing in Germany Networking Dinner. November 2024

during MEDICA

Hosted by **RSM Ebner Stolz**

Investors in Healthcare Annual Dinner. London. November 2024

during Jefferies Healthcare Conference

Scheduled to coincide with the middle day of the **Jefferies** London Healthcare Conference, the European Healthcare Investor Association's flagship annual event took place in the spectacular Great Hall at JP Morgan's 60 Victoria Embankment venue, (formerly the City of London School for Boys) in London, and provided an excellent opportunity for CEOs and healthcare investors to network and discuss healthcare investment trends and opportunities. The dinner was generously supported by **J.P. Morgan, McKinsey & Company, McDermott Will & Emery** and **Compass Carter Osborne.**

Working with Level 20

Launched by 12 founders in 2015, Level 20 is the leading industry body for women in private equity with a mission to increase the representation of senior women, particularly in investment roles.

It works in partnership with the wider industry and more than 120 sponsors fund Level 20's activities, including its industry-leading mentoring and event programmes, which are free for individual members.

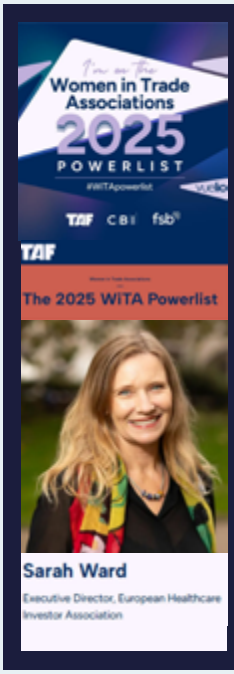
Each year, the organisation publishes authoritative research and this data-led insight supports firms to take practical steps towards effecting change. Level 20 operates in 20 countries across 13 international chapters with over 7,250 members. Each chapter is supported by the Level 20 executive team and a committee of volunteers who bring women together to build essential relationships both in local regions, and across Europe.

Mission

To increase the representation of senior women, particularly in investment roles, to transform the leadership landscape. Level 20's initiatives support women's careers in partnership with the wider industry.

Gurpreet joined Level 20 as CEO in April 2023 having spent a decade at the British Private Equity and Venture Capital Association (BVCA). As Level 20's CEO, Gurpreet is responsible for delivering across five key activities:

- mentoring
- networking & development events
- research & insight
- advocacy & sponsor support
- outreach & internships



EHIA works closely with Level 20 who empower women to succeed in private equity, and has held networking events in Paris and London supported by Apax Parters, Marwood Group, Bridgepoint and Latham & Watkins respectively. In 2025, EHIA Executive Director Sarah Ward was nominated for the "Women in Trade Associations 2025 Power List"

EHIA is also a member of the Trade Association Forum who together with CBI (Confederation of British Industry) and Federation of Small Businesses (FSB) celebrate organisations led by strong female champions who support and are supported by brilliant women at all stages of their careers to be powerful advocates for diversity and inclusion in their sectors and more widely to support and encourage female business leaders and entrepreneurs.

In 2024, Gurpreet featured on Private Equity News' list of Twenty Trailblazing Women and under her leadership, Level 20 has welcomed new chapters and published research across Europe and the US. In her previous role as the BVCA's Deputy Director General and Director of Policy, she led the private equity and venture capital industry's response to a wide range of matters from a legal, regulatory and tax perspective, including on diversity and sustainability matters. Before joining the BVCA she worked at Deloitte LLP. Gurpreet studied at the LSE and is a Chartered Accountant and a fellow of the ICAEW. Outside of Level 20, Gurpreet is on the board of the UK Business Angels Association.

Heather Pfeiffer
Director, Marwood

Hortense Badarani
Managing Director, CVC Capital Partners

Anne-Sophie Moinade
Director, Bridgepoint

Eveline Van Keymeulen
Partner, Latham & Watkins

Mary Trout
CCO, Candela

Abigail Howell
Associate, Apax Partners

Amandine Ayrem
Partner, Eurazeo

Frederikke Beck
Senior Investment Manager, Impilo

Sabina Ouimet-Storrs
Principal, GHO Capital

Anne-Laure Meynier
Partner, Apposite Capital

EHIA Conferences

Investors in Healthcare Real Assets Conference
Property & Providers Conference

4th February 2026. The King's Fund, London

Investors in Healthcare, in association with European Healthcare Investor Association will be hosting a new one day conference to complement our pan-European healthcare real estate news and transaction coverage. The healthcare market is rapidly evolving with the emergence of pan-European healthcare infrastructure assets underpinned by its social infrastructure characteristics, as well as the increasing interplay between real estate and the need to better understand the covenant strength of the underlying operated businesses paying the rent.

Investors in Healthcare Private Capital Conference

16th June 2026. Institute of Directors, 116 Pall Mall, London.

Investors in Healthcare, in association with European Healthcare Investor Association will be hosting the 2nd edition of this innovative conference, and due to the success of the 2025 event, will be moving to a larger venue, the Institute of Directors at 116 Pall Mall. The aim of this conference is to facilitate deals and promote investment in Europe across healthcare, life sciences and pharma. Set in a private environment, investors and portfolio company corporate leaders will be able to gain insights into market and investment trends as well as network with their peers. conference.

EHIA

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McDermott Will & Schulte

Bankers

Handelsbanken

Registrar

VISTRA

ppa member

TRADE ASSOCIATION FORUM

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